Canadian Heritage | Patrimoine canadien

Canada

CANADIAN HERITAGE

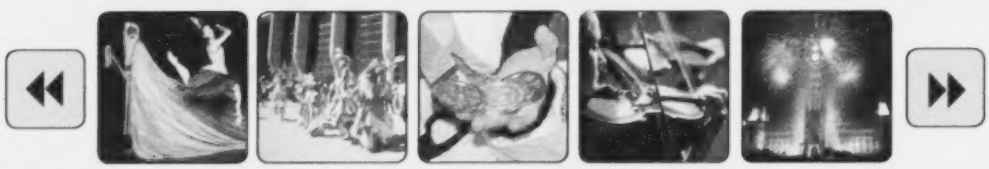
2010-11

DEPARTMENTAL PERFORMANCE REPORT

Original signed by:

The Honourable James Moore, P.C., M.P.

Minister of Canadian Heritage and Official Languages



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MINISTER'S MESSAGE

Minister of Canadian Heritage
and Official Languages

Ministre du Patrimoine canadien
et des Langues officielles

Ottawa, Canada K1A 0M5

I am pleased to present the Departmental Performance Report for 2010–11 to Parliament and to Canadians. The Department of Canadian Heritage strives to foster an environment in which all Canadians can take full advantage of our rich cultural and civic life and celebrate our linguistic duality, history, and heritage. The Report lists the Department's many accomplishments over the past year and the ways in which we made an important contribution to our economy, helped strengthen Canadian identity, and increased our sense of national pride.

We contributed to economic recovery under the Economic Action Plan, helped develop the digital economic strategy, drafted legislation to modernize the *Copyright Act*, organized the Royal Tour and our participation in Expo 2010 Shanghai, and supported participation and excellence in sports.

We also helped strengthen our communities by supporting the arts, culture, and heritage sectors and, in so doing, stimulated creativity and innovation, contributing to the quality of life and prosperity of all Canadians.

The Department also continued its activities to promote attachment to Canada. We fostered Canadians' participation in celebrations and commemorations, strengthened Aboriginal communities by enabling Aboriginal peoples to address the social and cultural issues affecting their lives, encouraged young Canadians to get involved in programs that allow them to be active citizens, and continued to implement the Roadmap for Canada's Linguistic Duality.

Canadian Heritage also launched an initiative to modernize its operations and seek innovative solutions to financial challenges facing the Department and the public service at large. The Department will continue to seek additional efficiencies through the deficit reduction action plan announced in the last federal budget.

In order to better and more efficiently address the needs of Canadians, the Department remains committed to modernizing its programs and policies in response to fast-changing technologies and business models.

As Minister of Canadian Heritage and Official Languages, I am pleased to submit this report on the significant achievements made by the Department of Canadian Heritage in 2010–11.

The Honourable James Moore, P.C., M.P.

SECTION I – ORGANIZATIONAL OVERVIEW

RAISON D'ÊTRE

The Department of Canadian Heritage (the Department) and Canada's major national cultural institutions play a vital role in the cultural, civic and economic life of Canadians. We work together to support culture, the arts, heritage, official languages, citizenship and participation, Aboriginal, youth, and sport initiatives.

OUR MISSION

Canadian Heritage promotes an environment in which all Canadians take full advantage of dynamic cultural experiences, celebrating our history and heritage, and participating in building creative communities.

OUR VISION

The Department's vision is one of a Canada where all Canadians can celebrate our rich cultural diversity, our shared experiences and values, and where all can gain a greater understanding and appreciation of our history, heritage and communities. Canadian Heritage has a vision of Canada that invests in the future by supporting the arts, our two official languages and our athletes. A Canada that is confident in a world of choice, at the forefront of the creative economy and a leader in the digital world.

RESPONSIBILITIES

The Department of Canadian Heritage is responsible for programs and policies that help all Canadians participate in their shared cultural and civic life. The Department's legislative mandate is set out in the *Department of Canadian Heritage Act* and in other statutes for which the Minister of Canadian Heritage and Official Languages is responsible, and presents a wide-ranging list of responsibilities for the Minister under the heading of "Canadian identity and values, cultural development, and heritage."

The Department oversees the administration of numerous statutes, notably: the *Broadcasting Act*, the *Copyright Act* and the *Investment Canada Act* (the latter two acts are shared with Industry Canada), the *Official Languages Act* (Part VII), the *Museums Act*, the *Cultural Property Export and Import Act*, the *Status of the Artist Act*, and the *Physical Activity and Sport Act* (shared with Health Canada).

The Department of Canadian Heritage is specifically responsible for formulating and implementing cultural policies related to copyright, foreign investment and broadcasting, as well as policies related to arts, culture, heritage, official languages, sport, state ceremonial and protocol, and Canadian symbols. The Department's main program activities are delivered through funding of community and third-party organizations to promote the benefits of culture, identity, and sport for Canadians.

The Minister of Canadian Heritage and Official Languages is accountable to Parliament for the Department and the 20 organizations that make up the Canadian Heritage Portfolio.

STRATEGIC OUTCOMES AND PROGRAM ACTIVITY ARCHITECTURE

Strategic Outcomes

The Department's activities are structured around three strategic outcomes. Further details on strategic outcomes are provided in Section II of this Report.

1. **Canadian artistic expressions and cultural content are created and accessible at home and abroad** – this speaks to the importance of the continued existence and public availability of Canadian cultural products, artistic work by Canadian creators and performers, and Canada's cultural heritage.

2. **Canadians share, express and appreciate their Canadian identity** – this supports the mandate of fostering a stronger Canadian identity through active, engaged, inclusive citizenship, and the recognition of the importance of both linguistic duality and a shared civic identity.

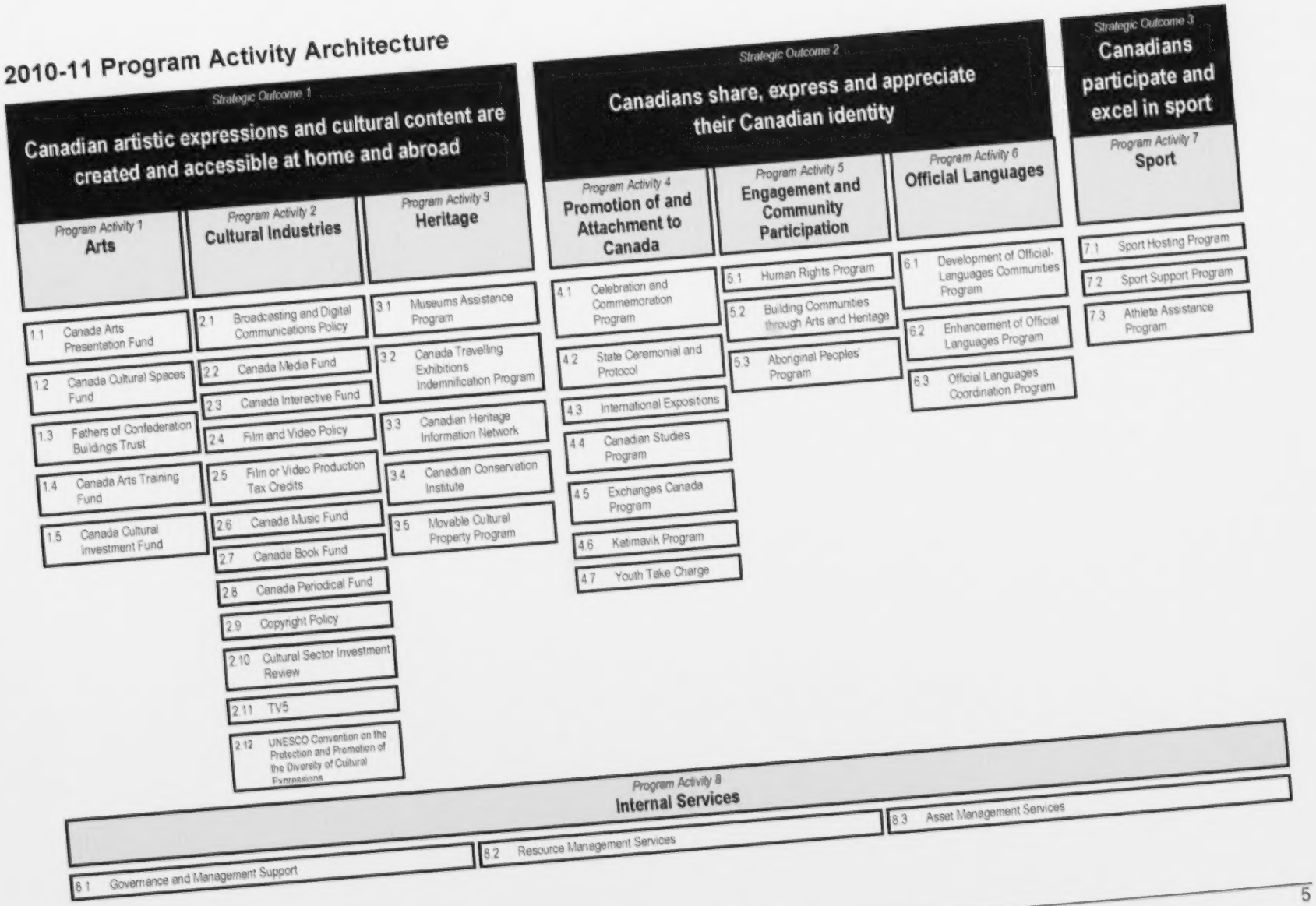
3. **Canadians participate and excel in sport** – this speaks to the beneficial effects of sport participation on the health and well-being of individuals and to the impact of international achievement in sport on Canadian pride.

Program Activity Architecture

The Program Activity Architecture (PAA) provides an overview of how the Department's programs and activities are linked and how their expected results are organized to contribute to achieving the Department's strategic outcomes and mandate. A Performance Measurement Framework (PMF) has been developed to serve as an objective basis for collecting information related to the intended results of the Department's programs. The *2010-11 Departmental Performance Report* is primarily based on the PAA and the expected results and performance indicators identified in the PMF.

In 2010-11, changes were made to the Program Activity Architecture of the Department at the sub-program activity level, under the Cultural Industries, Promotion and Attachment to Canada and Sport program activities. Also, the Canada Media Fund was launched, replacing the Canadian Television Fund program and the Canada New Media Fund program. The Canada Interactive Fund was launched, replacing two components of the Canadian Culture Online program, namely the Partnerships and Gateway Funds. Under the program activity Promotion and Attachment to Canada, the program Youth Take Charge was launched. Lastly, the 2010 Federal Secretariat was removed from the Sport program activity at the end of the 2010 Olympic and Paralympic Winter Games. The Department's PMF has been modified to reflect these changes. For additional information, please refer to *2009-10 Departmental Performance Report* and the *2010-11 Report on Plans and Priorities*.

2010-11 Program Activity Architecture


Strategic Outcome 1
Canadian artistic expressions and cultural content are created and accessible at home and abroad
Program Activity 1
Arts
1.1 Canada Arts Presentation Fund
1.2 Canada Cultural Spaces Fund
1.3 Fathers of Confederation Buildings Trust
1.4 Canada Arts Training Fund
1.5 Canada Cultural Investment Fund
Program Activity 2
Cultural Industries
2.1 Broadcasting and Digital Communications Policy
2.2 Canada Media Fund
2.3 Canada Interactive Fund
2.4 Film and Video Policy
2.5 Film or Video Production Tax Credits
2.6 Canada Music Fund
2.7 Canada Book Fund
2.8 Canada Periodical Fund
2.9 Copyright Policy
2.10 Cultural Sector Investment Review
2.11 TV5
2.12 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions
Program Activity 3
Heritage
3.1 Museums Assistance Program
3.2 Canada Travelling Exhibitions Indemnification Program
3.3 Canadian Heritage Information Network
3.4 Canadian Conservation Institute
3.5 Movable Cultural Property Program
Strategic Outcome 2
Canadians share, express and appreciate their Canadian identity
Program Activity 4
Promotion of and Attachment to Canada
4.1 Celebration and Commemoration Program
4.2 State Ceremonial and Protocol
4.3 International Expositions
4.4 Canadian Studies Program
4.5 Exchanges Canada Program
4.6 Katimavik Program
4.7 Youth Take Charge
Program Activity 5
Engagement and Community Participation
5.1 Human Rights Program
5.2 Building Communities through Arts and Heritage
5.3 Aboriginal Peoples' Program
Program Activity 6
Official Languages
6.1 Development of Official-Languages Communities Program
6.2 Enhancement of Official Languages Program
6.3 Official Languages Coordination Program
Strategic Outcome 3
Canadians participate and excel in sport
Program Activity 7
Sport
7.1 Sport Hosting Program
7.2 Sport Support Program
7.3 Athlete Assistance Program
Program Activity 8
Internal Services
8.1 Governance and Management Support
8.2 Resource Management Services
8.3 Asset Management Services

ORGANIZATIONAL PRIORITIES

Priority Status Legend

Exceeded: More than 100 per cent of the expected level of performance for the priority identified in the corresponding Report on Plans and Priorities (RPP) was achieved during the fiscal year.

Met All: 100 per cent of the expected level of performance for the priority identified in the corresponding RPP was achieved during the fiscal year.

Mostly Met: 80 to 99 per cent of the expected level of performance for the priority identified in the corresponding RPP was achieved during the fiscal year.

Somewhat Met: 60 to 79 per cent of the expected level of performance for the priority identified in the corresponding RPP was achieved during the fiscal year.

Not Met: Less than 60 per cent of the expected level of performance for the priority identified in the corresponding RPP was achieved during the fiscal year.

Priority 1	Type[1]	Strategic Outcome(s)
Implement new and renewed programs and adjust policies and key legislative frameworks to better manage the transition to emerging digital technologies.	New	Strategic outcome 1: Canadian artistic expressions and cultural content are created and accessible at home and abroad.

Status: Mostly Met

- The Department continued its commitment to support innovation in Canada's cultural industries with the launch of new and renewed programs.
- The Canada Media Fund was launched, replacing the Canadian Television Fund and the Canada New Media Fund, as a more effective, modern approach to supporting the production and delivery of Canadian content and its delivery to Canadians, and harnessing new technologies to fast-forward Canada's capacity to innovate.
- The Canada Interactive Fund was launched. The Program encourages all Canadians to produce creative online interactive content and applications that are representative of Canada's rich cultural diversity. Through an investment of $55 million over five years, the Program aims to reflect the evolution of Canada's cultural landscape from a social and technological perspective.
- The Canada Music Fund was restructured to increase the visibility of Canadian music on digital platforms and international markets, with an investment of $27.6 million spread over five years.
- The Canada Book Fund was created as a rebranded, streamlined evolution of the Book Publishing Industry Development Program. With an annual budget of $39.5 million, the new program targets funding to help the Canadian-owned publishing industry adapt to technological change to ensure that Canadians can access a broad range of Canadian-authored books in all format.
- Building on the successes of the former Publications Assistance Program and former Canada Magazine Fund, the Canada Periodical Fund is designed to streamline program administration, maximize value for taxpayers' money, meet the needs of Canadian readers and capitalize on the opportunities offered by new

[1] "Type" is categorized as follows: **Previously committed to**—committed to in the first or second fiscal year before the subject year of the report; **Ongoing**—committed to at least three fiscal years before the subject year of the report; and **New**—newly committed to in the reporting year of the Departmental Performance Report.

technologies.

- The Department continued its review of Canadian feature film policies to better reflect digital opportunities for film production, distribution and consumption.
- Furthermore, to support the Government's commitment in 2010 Speech from the Throne to position Canada as a leader in the global digital economy, the Department collaborated with Industry Canada to draft legislation designed to ensure that Canada's copyright laws are forward-looking and responsive to changes influenced by digital technologies.
- The Department also organized public consultations to inform the development of the Government's Digital Economy Strategy, in cooperation with Industry Canada and Human Resources and Skills Development Canada.

Priority 2	Type	Strategic Outcome(s)
Promote the creation, preservation and dissemination of Canadian cultural content to domestic and international audiences.	Ongoing	Strategic outcome 1: Canadian artistic expressions and cultural content are created and accessible at home and abroad.

Status: Exceeded

- The Department launched its suite of renewed arts programs which ensure a $504 million financial commitment for the next five years. The Department also launched a series of new and restructured cultural industries support programs in 2010-11, including the Canada Media Fund, the Canada Interactive Fund, the Canada Music Fund, the Canada Book Fund and the Canada Periodical Fund.
- Over and above what was stated in the *2010-11 Report on Plans and Priorities* (RPP), the Department introduced Canada's Policy on Audiovisual Treaty Coproduction. The policy which seeks to focus Canada's approach to treaty coproduction and to ensure that Canadians and the audiovisual industry achieve maximum benefits from government actions in support of treaty coproduction. As a cultural benefit, coproduction projects create Canadian content, with greater audience reach than domestic productions, helping to share Canadian content with audiences at home and in markets abroad.
- In addition to what was stated in the 2010-11 RPP, the Department undertook a review of the Revised Foreign Investment Policy in Book Publishing and Distribution. The revised policy sets conditions for foreign investment in the Canadian book industry and was launched in 2010 to determine whether the Policy continues to encourage healthy competition, and to ensure that Canadians and readers everywhere have access to a broad range of Canadian-authored books. A ministerial decision on policy revision is expected in 2011.
- The Department contributed to the increase in percentage of Canadian programming broadcast on TV5MONDE and also to the increase in the number of households around the world where TV5MONDE's signals were broadcast, thereby showcasing a greater amount of Canadian content on the international stage. TV5 Québec Canada included programming from European and African partners that is not available on other Canadian French-language networks, giving Canadians access to content from the international Francophonie.

Priority 3	Type	Strategic Outcome(s)
Ensure that Canada's heritage is accessible to Canadians now and in the future.	New	Strategic outcome 1: Canadian artistic expressions and cultural content are created and accessible at home and abroad.

Status: Met all

- Canadians will enjoy greater access to their heritage as the result of the creation of the Canadian Museum of Immigration at Pier 21, Canada's sixth national museum. The legislation to amend the *Museums Act* to

establish the new Crown Corporation received Royal Assent on June 29, 2010 and came into force on November 25, 2010.

- Through the Canada Travelling Exhibitions Indemnification Program, the Government now assumes financial liability for loss or damage to objects in major travelling exhibitions. The consequent reduction in insurance costs for exhibitions makes it possible for museums and galleries to make these exhibitions available to Canadians. In response to increases in exhibition values, the Department developed a strategy to allocate the available liability in 2010-11 among eligible institutions[2].
- The Department continued to develop possible legislative changes to ensure that the *Cultural Property Export and Import Act* continues to be an effective protection for Canadian and international heritage.
- The Department continued to deliver funding programs that support the creation and circulation of exhibitions, the preservation of Canada's heritage and the enhancement of the heritage sector's knowledge, skills and practices.
- The Canadian Heritage Information Network (CHIN) contributed to the advancement of this priority as well as priority 1 and 2 by mobilizing nearly 1500 museums across the country in a collaborative effort to create innovative digital heritage content and enhance its visibility to the public through virtualmuseum.ca. Research and training presented by CHIN identified practical solutions and standards that can be implemented by museums to enhance their digital presence.
- The Canadian Conservation Institute increased by 35% the number of collections and objects supported by the Institute's preservation programs. Its research on the longevity of optical discs and magnetic tapes will assist heritage institutions to manage and preserve their digital collections for long-term access.

Priority 4	Type	Strategic Outcome(s)
Promote greater understanding of Canada, and increase Canadians' pride and engagement in our country and its communities.	Ongoing	Strategic outcome 2: Canadians share, express and appreciate their Canadian identity.

Status: Met all

- In 2010-11, the Department also continued to deliver policies and programs that promote civic education and participation among young Canadians, namely Canadian Studies, Katimavik, and Exchanges Canada. In May 2010, the Department of Canadian Heritage created and launched a new program, Youth Take Charge. Through this new program, the Department offers young people opportunities to participate in youth-led projects in the areas of history and heritage, the arts and culture, civic engagement and youth service as well as economic activities.
- At the same time, through the Building Communities through Arts and Heritage Program, the Department has continued to offer increased exposure to local artists and artisans within their community and to provide Canadians the opportunity to engage in their communities through the performing and visual arts, and the expression, celebration and preservation of local historical heritage.
- Through its programs and services, the Department also helped strengthen Aboriginal cultures and improve civic participation in Canadian society, and contributed to the preservation and revitalization of Aboriginal languages and cultures. This was achieved through a number of projects and activities across Canada that focused on social development, learning opportunities, employment and events aimed at increasing awareness of Aboriginal cultures and achievements.
- The Department continued to support activities that foster promotion of and attachment to Canada. By supporting celebrations of National Aboriginal Day, Saint-Jean-Baptiste Day, Canadian Multiculturalism Day, and Canada Day, the Department created opportunities for Canadians to show their pride and to engage with their communities. In 2010, approximately 9 million Canadians participated in over 3,000

[2] "Available liability" refers to the total amount of contingent liability that is available for allocation among institutions for the fiscal year, taking into account the maximum total that can be allocated each year under the *Canada Travelling Exhibitions Indemnification Act* ($1.5 billion) and any commitments carried over from the previous fiscal year.

community events across Canada, an increase of over 1 million participants from the previous year.

- The 2010 Royal Tour of Her Majesty The Queen and His Royal Highness The Duke of Edinburgh took place from June 28 to July 6, 2010. The Tour attracted a record crowd of over 100,000 on Parliament Hill on Canada Day. It brought many Canadians into contact with their monarch and increased awareness among Canadians of the Canadian Crown, an important part of Canadian identity and history.
- Canada also participated in Expo 2010 in Shanghai, the largest international exposition ever held. The Canada Pavilion was the focal point of Canada's participation and was a source of pride for many Canadians. The Pavilion was designed to reflect Canadian values of inclusiveness, sustainability, and creativity and was open from May to October 2010. The Pavilion welcomed more than 6.4 million visitors surpassing its initial goal of 5.5 million, and garnered positive feedback from approximately 97% of visitors.

Priority 5	Type	Strategic Outcome(s)
Foster linguistic duality in Canadian society and enhance the development of official language minority communities.	Ongoing	Strategic outcome 2: Canadians share, express and appreciate their Canadian identity.
Status: Met All		

- Through partnerships and agreements, the Department helped foster the vitality of Canada's official language minority communities and enabled them to participate fully in all aspects of Canadian life. As a result of departmental programs, a greater number of Canadians have a better understanding and appreciation of the benefits of the official languages, respect the rights of official languages minority communities, and foster their participation in Canadian society.
- The outcomes of the second language learning program supported through agreements with the provinces and territories, as well as by institutions and community groups, were achieved thanks to the 13 education agreements with all the provinces and territories that make it possible to support the teaching of French and English as a second language for 2.4 million young Canadians.
- In addition, the programs for promoting linguistic duality provide support to nearly 70 community organizations that foster the learning of the second language or linguistic duality. Accordingly, with over 200 programs and projects supported in 2009-10, over 100 Canadian volunteer organizations were able to hold some of their events (conferences, annual general meetings, services) in both languages. It is possible to state that the results of the program activity were achieved.
- The effective implementation of all the *Roadmap for Canada's Linguistic Duality 2008-2013: Acting for the Future* initiatives made it possible to enhance access to government services in their language of choice for official language minority communities, and to further promote the advantages of linguistic duality.

Priority 6	Type	Strategic Outcome(s)
Support high-performance athletes, opportunities for all Canadians to participate and excel in sport, and the hosting of international sport events and the Canada Games.	Ongoing	Strategic outcome 3: Canadians participate and excel in sport.
Status: Met All		

- In 2010-11, through the Athlete Assistance Program, 1,871 carded high performance athletes received direct grants that contributed towards their ability to train and compete at the Olympics, Paralympics and World Championships and, ultimately, excel in their respective sport.
- In 2010-11, support provided by the Hosting Program to 54 events and 2 bids created additional opportunities for Canadian high-performance athletes, coaches and officials to participate at international sport events hosted in Canada. In addition, hosting program support to the 2011 Canada Winter Games in Halifax provided multi-sport competition opportunity for aspiring high-performance athletes from every province and territory.

- The Sport Support Program supported numerous opportunities for Canadians to participate and excel in sport with the result that, in 2010-11, sport organizations provided high-performance athletes with training and competition opportunities through their national team training. Over 1.8 million Canadians participated in funded sport participation initiatives.

Priority 7	Type	Strategic Outcome(s)
Public Service Renewal.	Ongoing	Supports all strategic outcomes.

Status: Met All

- Over the past four years, the Department ensured that the priorities of the Clerk of the Privy Council were met, even during a time of change.
- Integrated Planning: The Department pursued its efforts to improve the corporate integrated planning process and build on its strong practice of integrated risk management.
- Recruitment: As part of the Transformation Initiative, a freeze on external staffing for an indeterminate period was announced. However, where vacant positions could not be filled by affected employees or other departmental employees, external staffing measures were reviewed and approved on a case-by-case basis by the Executive Committee. Nonetheless, to respond to the Public Service Renewal's objective, the Department encouraged and promoted the use of bridging and post secondary recruitment programs.
- Employee Development: The Department continued to focus on employee engagement and retention by pursuing various learning, development and talent management initiatives. For instance, the following sessions were developed and delivered: Working @ PCH, Working in Times of Change, Benefits of Networking, and How to Prepare a CV/Interviews. Priority use of funds obtained for official languages development was given for language training to employees affected by the Transformation Initiative.
- Workplace renewal: Clear and ongoing efforts have been made in the 4 components making up this priority: Support for managers; knowledge management; Innovation; and Public Service Values. Here are some examples: a profile of key leadership competencies has been developed; Canadian Heritage conducted awareness and training sessions on information management for employees; the Department began the process of developing its code of values and ethics.

Priority 8	Type	Strategic Outcome(s)
Grants and Contributions Reform.	Ongoing	Supports all strategic outcomes.

Status: Exceeded

- The Department of Canadian Heritage continued its leadership in the reform of grants and contributions management:
- Policy on Transfer Payments: Full implementation of all key requirements of the revised Policy, including the publication of service standards was achieved in 2010-11.
- Funding threshold: Starting in 2010-11, the Department increased the funding threshold for requiring a client to submit audited financial statements from $50K to $200K, where risk allowed. As a result, approximately 40% of contribution recipients no longer have to submit audited financial statements to receive payment, thereby reducing client burden and expense.
- Grants and Contributions Modernization Initiative: The Department launched the long-term Grants and Contributions Modernization Initiative to pursue streamlining, standardization and, where feasible automation, in the delivery of funding programs.

Priority 9	Type	Strategic Outcome(s)
Integration of financial and non-financial information.	Ongoing	Supports all strategic outcomes.
Status: Somewhat Met		

- In addition to the continuous improvement of its corporate management processes and tools, the Department supported the integration of financial and non-financial information in 2010-11, mainly by standardizing its internal services structure with the creation of service hubs at the sector level. The service hub model will enable the Department to standardize, introduce efficiencies, and integrate the financial, procurement, human resource and administrative services previously carried out at the sector, branch or division levels.
- The Department also streamlined its collection of survey data through the development of a data acquisition strategy which will save financial resources and improve efficiencies. Additionally, progress has been made in managing the internal controls over financial reporting and pursuant to the Policy on Internal Control and the first published departmental Annex under this policy. As part of the Transformation Initiative, the Department has also implemented monthly budget forecast meetings to adjust plans and priorities where warranted.

Priority 10	Type	Strategic Outcome(s)
Management of Security and Business Continuity.	**Type:** New	Supports all strategic outcomes.
Status: Mostly Met		

- Information Technology Security: In 2010-11, Information Technology Infrastructure (IT) and Security Services pursued the improvement of departmental security programs through the IT Security Improvement Plan. The renewed IT Security Policy instruments have formalized roles and responsibilities of various levels of governance, and defined Performance indicators, monitoring and reporting processes.
- Management of Information Technology Security Compliance: The most important IT systems and services within the Department either now comply with the security requirements, or are in the final stages of completing their certification and accreditation activities. As a result of these activities, safeguard implementation plans are being developed to ensure full compliance and to ensure that continuous risk management practices are in place. In order to manage risks, the Department decided to accredit the remaining IT systems and services on a priority basis over the next few years.
- Departmental Security: A departmental security policy was developed and implemented, and a security awareness program was refined and enhanced to better address specific departmental risks and concerns. Functional linkages and clear roles and responsibilities in the areas of information security and identity management were developed and confirmed with key departmental players. The foundation is now in place for the implementation of a departmental security plan and integrated work plans. A gap analysis was conducted and targets have been set with performance indicators. Risk analysis is being conducted. Consultations on the planning framework are ongoing. To minimize compliance-based risks, ongoing internal 3rd party monitoring has been initiated by the Department.
- Business Continuity Planning: The business continuity planning cycle is progressing as planned.

RISK ANALYSIS

In 2010-11, as part of its business process, the Department of Canadian Heritage identified key risks and developed corresponding mitigation strategies. The Department targeted in its 2010-11 Report on Plans and Priorities one strategic risk and three operational risks that, if left unmanaged, could hinder the Department's ability to deliver on its mandate and its expected results.

Strategic Risk (External)

In 2010-11, the main external risk faced by Canadian Heritage was the risk that its policies and programs would be unable to keep pace with the rapid evolution of social, economic and technological landscapes.

The following mitigation strategies were employed to reduce the likelihood of that risk occurring.

- In 2010-11, the Department launched a suite of new and renewed grants and contributions programs to support the arts and cultural industries. Included among these is the Canada Media Fund (CMF). In 2010-11, the CMF invested $337 million in Canadian content creation, generating over 2,400 hours of new Canadian programming[3]. This fund is an innovative response to profound change in how Canadians expect to consume media content.

- To address a range of risks facing Canada's heritage of linguistic duality, the Department carried on with the coordination and the implementation of the *Roadmap for Canada's Linguistic Duality 2008–2013*.

- Industry Canada, Canadian Heritage and Human Resources and Skills Development Canada (HRSDC) organized public consultations that ran from May 10 to July 13, 2010 to inform the development of the Government's Digital Economy Strategy (DES). Overall, more than 20,000 Canadians visited the DES consultation Web site. The Government received 272 formal submissions, 148 posted ideas, and over 470 comments.

- In support of the Government's commitment in 2010 Speech from the Throne to position Canada as a leader in the global digital economy, Canadian Heritage, in collaboration with Industry Canada, drafted a legislation designed to ensure that Canada's copyright laws are forward-looking and responsive to change influenced by digital technologies. On June 2, 2010, Bill C-32: the *Copyright Modernization Act* was introduced in the House of Commons. However, Bill C-32 died on the Order Paper as a result of the March 26, 2011 dissolution of Parliament.

Operational Risks (Internal)

The operational risks for Canadian Heritage are derived from a range of risks that were identified as part of the integrated planning process.

Specifically, the following three areas were identified as departmental key risks to the achievement of organizational objectives, which required mitigation actions to be integrated in our business planning and day to day activities:

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[3] Data is not final until the release of the Program's annual report. Numbers may not add up due to rounding. The CMF annual report for 2010-11 will be available at www.cmf-fmc.ca.

- Sound management and stewardship – There was the risk that stakeholders' needs and expectations would not be satisfied due to the increased complexity and length of administrative processes associated with the good management of programs.

  In 2010-11, the Department developed a new method to process the vast numbers of files received from regular clients seeking renewed annual funding for ongoing activities they had successfully completed. Three programs (Canada Arts Presentation Fund, the Official Languages Community Life Component and Celebrate Canada) have been selected as pilot projects for the 2011-12 fiscal year.

  A new risk-based approach to processing grants and contributions applications has been identified. It is both simplified and standardized and will require minimal changes for our applicants. The file treatment framework being developed will align end to end file processing with the level of risk each file presents. This effort will allow the Department to focus on risks through targeted mitigation measures. Beyond efficiency savings, process simplification for low-risk applications will also lead to improved service, while ensuring that Canadian Heritage careful stewardship of public resources, due diligence and accountability are respected.

- Demonstrating program results – There was the risk that the Department cannot provide accurate and timely policy and performance metrics that tell a strong performance story of value creation, tangible outputs and benefits to Canadians.

  To underscore the value and benefits of government public policy to Canadians, the Department's collection of survey data was streamlined through the development of a data acquisition strategy, which helped address methodological issues in measuring program results. The Department invested also in the development of the Cultural Satellite Account that will allow governments, at all levels, to quickly and accurately demonstrate to Canadians the economic value of our policies and programs. To date, Canadian Heritage and its initial partners have contributed over $200,000 to the feasibility study. The provinces and territories will collectively contribute $100,000 per year for the next two fiscal years. Canadian Heritage will also contribute $100,000 per year for the next two fiscal years.

- Values-based human resource management – There was the risk that staff well-being, engagement, performance and organizational stability will suffer during this time of review and restraint.

  To support all results achievement, steps were undertaken to mitigate the impact of the current workforce adjustment by ensuring human resources needs are well coordinated, well managed and responsive to departmental employees[4].

Furthermore, in an environment of fiscal restraint, the Department of Canadian Heritage undertook a Transformation Initiative to address some of its operational risks[5]. This initiative was an opportunity to align resources, processes and organizational design to deliver priorities and expected results in a more effective and empowering manner. This initiative also enabled the Department to move forward on modernizing its operations and seeking innovative solutions to better serve Canadians while addressing financial challenges. Savings identified in this exercise are being used to provide the Department

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[4] More information is available in Section II of this report, under the Internal Services component.

[5] More information on this department-wide initiative is available in Section II of this report, under the Internal Services component.

with financial flexibility to help address in-year and on-going, structural funding challenges, while maintaining the capacity of the Department to deliver its programs.

SUMMARY OF PERFORMANCE

2010-11 Financial Resources[6] ($ millions)

Planned Spending	Total Authorities	Actual Spending
1,291.3	1,340.8	1,313.6

2010-11 Human Resources (Full-time Equivalents – FTEs)

Planned	Actual	Difference
2,309.6	2,108.0	201.6

[6] Financial Resources equal the total line for Program Activities and Internal Services.

Strategic Outcome 1: Canadian artistic expressions and cultural content are created and accessible at home and abroad.

Performance Indicators	Targets	2010-11 Performance
○ Range and volume of Canadian cultural content and artistic works created and produced, by category. ○ Range of Canadian cultural and heritage content and artistic works accessible domestically and internationally, by category.	○ The performance story presented under Section II of this report describes key achievements in more detail. Determining a specific target for such indicators is particularly challenging as it covers a broad range of sources and will require further work.	○ Please refer to Section II of this report for an extensive performance summary at the strategic outcome level.

Program Activity	2009-10 Actual Spending ($ millions)	2010-11 ($ millions)				Alignment to Government of Canada Outcomes
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Program Activity 1: Arts	150.8	125.8	125.8	116.3	114.6	Vibrant Canadian culture and heritage
Program Activity 2: Cultural Industries	313.8	208.4	328.8	311.0	303.5	Vibrant Canadian culture and heritage
Program Activity 3: Heritage	43.3	40.9	40.9	43.2	41.4	Vibrant Canadian culture and heritage
Total	**507.9**	**375.1**	**495.5**	**470.5**	**459.5**	

Note: the total authorities by program activity represent the distribution of budgets approved by Parliament, not the internal reallocation of these budgets by the Department between the various program activities. The Department has the authority to reallocate the budgets during the year to direct funding to new priorities. A full explanation of variance by year is provided in Expenditure Profile section.

Strategic Outcome 2: Canadians share, express and appreciate their Canadian identity.

Performance Indicators	Targets	2010-11 Performance
○ Level of appreciation by Canadians of Canadian shared values. ○ Level of active participation by Canadians in their society.	○ The performance story presented under Section II of this report describes key achievements in more detail. Determining a specific target for such indicators is particularly challenging given the nature of the strategic outcome.	○ Please refer to Section II of this report for an extensive performance summary at the strategic outcome level.

Program Activity	2009-10 Actual Spending ($ millions)	2010-11 ($ millions)				Alignment to Government of Canada Outcomes
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Program Activity 4: Promotion of and Attachment to Canada	150.7	79.2	79.2	89.9	84.5	Diverse society that promotes linguistic duality and social inclusion
Program Activity 5: Engagement and Community Participation	90.1	64.5	89.4	90.0	88.2	Diverse society that promotes linguistic duality and social inclusion
Program Activity 6: Official Languages	365.6	359.8	359.8	356.0	354.5	Diverse society that promotes linguistic duality and social inclusion
Total	**606.4**	**503.5**	**528.4**	**535.9**	**527.2**	

Note: the total authorities by program activity represent the distribution of budgets approved by Parliament, not the internal reallocation of these budgets by the Department between the various program activities. The Department has the authority to reallocate the budgets during the year to direct funding to new priorities. A full explanation of variance by year is provided in Expenditure Profile section.

Strategic Outcome 3: Canadians participate and excel in sport.

Performance Indicators	Targets	2010-11 Performance
○ Canadians' participation rate in sport activities. ○ International ranking at Olympic/Paralympic Games and World Championships.	○ 28% of Canadians 15 years of age and older participate in sport by 2010. ○ Rank 1st in the medal count at the 2010 Olympic Winter Games in Vancouver. / Rank in the top 3 at the 2010 Paralympic Winter Games in Vancouver. Achieve a top 14 ranking at the 2012 Summer Olympic Games in London. / Rank in the top 5 at the 2012 Paralympic Summer Games in London.	○ The most recent data available is from the 2009 Physical Activity Monitor which found that 27% of Canadians age 15 years and older participate in sport[7]. ○ Canada ranked 1st in gold medals and 3rd in overall medals at the 2010 Olympic Winter Games and ranked 3rd both gold medals and overall medals in the 2010 Paralympic Winter Games in Vancouver. The rank for the 2012 Olympic and Paralympic Summer Games will be determined in the summer of 2012. In 2010, Canada ranked 7th on the Olympic Ranking Index, as it had in 2008 and 2009. This compares with the ranking of 11th in the 2002 Olympic Ranking Index. There is no result available for the Paralympic Ranking as there were no Paralympic Games in 2010-11. ○ Please also refer to Section II of this report for an extensive performance summary at the strategic outcome level.

Program Activity	2009-10 Actual Spending ($ millions)	2010-11 ($ millions)				Alignment to Government of Canada Outcomes
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Program Activity 7: Sport	232.7	179.8	179.8	213.5	211.1	Vibrant Canadian culture and heritage
Total	**232.7**	**179.8**	**179.8**	**213.5**	**211.1**	

Note: the total authorities by program activity represent the distribution of budgets approved by Parliament, not the internal reallocation of these budgets by the Department between the various program activities. The Department has the authority to reallocate the budgets during the year to direct funding to new priorities. A full explanation of variance by year is provided in Expenditure Profile section.

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[7] Canadian Fitness and Lifestyle Research Institute (2009). Sport Participation Rates in Canada. *2009 Physical Activity Monitor: Facts and Figures Bulletin Series*. Bulletin #8

Internal Services

Program Activity	2009-10 Actual Spending ($ millions)	2010-11[8] ($ millions)			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending
Internal Services	127.6	87.6	87.6	121.0	115.9

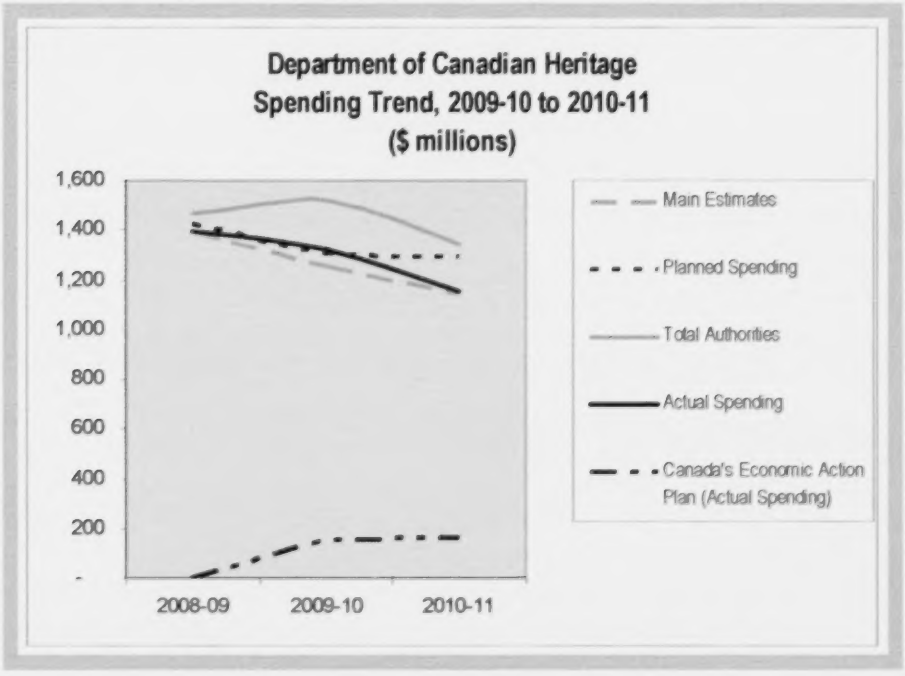
EXPENDITURE PROFILE

Canada's Economic Action Plan

For more information on Canada's Economic Action Plan, please refer to Section II of this report.

Departmental Spending Trend

The graph presented below shows the budget and expenditure profile of the Department of Canadian Heritage for the three previous years.



Planned Spending versus Total Authorities

The planned spending for 2008-09 and 2009-10 are both below their respective total authorities. In 2008-09, the variance is mostly explained by items not included in

[8] Commencing in the 2009–10 Estimates cycle, the resources for Program Activity: Internal Service is displayed separately from other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. This has affected the comparability of spending and FTE information by Program Activity between fiscal years.

planned spending, such as: Operating carry forward, salary compensation and collective agreement adjustments.

In 2009-10, the variance is mostly explained by items not included in planned spending, such as: Operating carry forward, salary compensation, Canada's Economic Action Plan investments (Canada Cultural Spaces Fund, Canada Arts Training Fund, Canada Periodical Fund (Magazines / Community Newspapers), Canada Media Fund and Special Olympics Canada) and Canada's investment in the 2010 Winter Olympics.

The planned spending for 2010-11 was below total authorities as well. The variance is mostly explained by items not included in planned spending, such as: Operating carry forward, funding to support high performance sport and to increase sport participation, funding to support Aboriginal youth in urban areas and funding to support the Michaëlle Jean Foundation.

Actual Spending versus Total Authorities

In 2008-09, the variance between actual expenditures and total authorities is mainly explained by the surpluses of the Multiculturalism and Historical Recognition Programs (transferred to Citizenship and Immigration Canada in 2010-11) and the approved re-profiling of funds to future years that were not published in the Supplementary Estimates. The following programs had funds reprofiled to future years: 2010 Olympic and Paralympic Winter Games, International Expositions and Historical Recognition Program.

In 2009-10, the variance between actual expenditures and total authorities is mainly explained by the year-end surplus and the approval of a reprofile of funds to future years that was not published in the Supplementary Estimates. Building Communities through Arts and Heritage had funds reprofiled to future years.

In 2010-11, the variance between actual expenditures and total authorities is mainly explained by the Department's surplus and the approval of a reprofile of funds to future years that was not published in the Supplementary Estimates. Both the Canadian Interactive Fund and the Youth Take Charge Program had funds reprofiled to future years.

ESTIMATES BY VOTE

For information on Canadian Heritage votes and statutory expenditures, please see the 2010-11 Public Accounts of Canada (Volume II). An electronic version of the Public Accounts is available at Public Works and Government Services Canada's web page, Public Account of Canada 2010.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Program Activity Performance Status Legend

Exceeded: More than 100 per cent of the expected level of performance (as evidenced by the indicator and target or planned activities and outputs) for the expected result identified in the corresponding Report on Plans and Priorities (RPP) was achieved during the fiscal year.

Met All: 100 per cent of the expected level of performance (as evidenced by the indicator and target or planned activities and expected outputs) for the expected result identified in the corresponding RPP was achieved during the fiscal year.

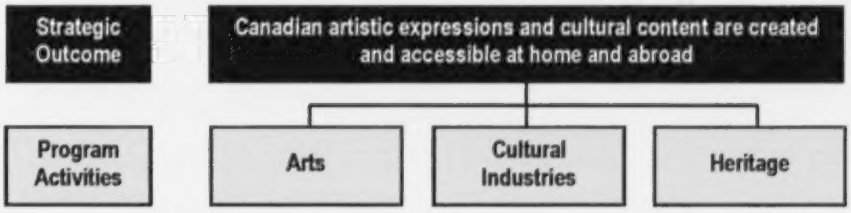
Mostly Met: 80 to 99 per cent of the expected level of performance (as evidenced by the indicator and target or planned activities and expected outputs) for the expected result identified in the corresponding RPP was achieved during the fiscal year.

Somewhat Met: 60 to 79 per cent of the expected level of performance (as evidenced by the indicator and target or planned activities and outputs) for the expected result identified in the corresponding RPP was achieved during the fiscal year.

Not Met: Less than 60 per cent of the expected level of performance (as evidenced by the indicator and target or planned activities and outputs) for the expected result identified in the corresponding RPP was achieved during the fiscal year.

STRATEGIC OUTCOME 1

Canadian artistic expressions and cultural content are created and accessible at home and abroad[9].



Performance Indicators

- Range and volume of Canadian cultural content and artistic works created and produced, by category.
- Range of Canadian cultural and heritage content and artistic works accessible domestically and internationally, by category.

Performance Summary

In 2010-11, the Department of Canadian Heritage programs and policies targeting the arts, cultural industries, and heritage continued to contribute to an environment that fosters the creation and accessibility of Canadian artistic expression and cultural content. Canadian Heritage delivers programs and services that enable Canadians to create, share, and participate in our rich cultural and civic life.

Over the years, arts organizations funded by Canadian Heritage programs have secured diverse sources of revenue, which is indicative of the leveraging effect of our programs. Another measure of the success of our rich cultural life is that most arts graduates supported by the Canada Arts Training Fund are working professionally in their field in Canada or abroad.

In 2010-11, a broad range of Canadian cultural content and works of art continued to be created and produced throughout Canada allowing Canadians to have a full range of dynamic cultural experiences. In the cultural industries, there has been a tangible increase in the number of hours of Canadian television produced, the publishing of periodicals and Canadian-authored books and the number of music albums released by Canadian artists. Cultural industry gross revenues and profit margins also demonstrate the sector's sustainability.

Access to Canadian cultural content in domestic and international markets has also improved overall as more Canadian households now have access to the internet, radio and television. The availability of Canadian radio services grew as did the number of Canadian households that have access to TV5. The viewing share of Canadian television programs in Canada's two official languages increased. The market share of the sale of

[9] Description of Strategic Outcome 1 is available in *2010-11 Canadian Heritage Report on Plans and Priorities* at: http://www.tbs-sct.gc.ca/rpp/2010-2011/inst/pch/pch02-eng.asp#2.1.

Canadian DVDs remained at 1.2% in 2009 and 2010. Again in 2010, there was an increase in the market share of domestic sales of albums by Canadian artists as Canadians continued to purchase and access more Canadian music relative to music by other artists. This continues a ten year growth trend that began with the inception of the Canada Music Fund.

The Department continues to be very committed to the modernization of its cultural programs and policies to enable cultural industries that are being reshaped by rapidly changing technologies and business models to adapt to the new digital and economic environment. The Department began an internal review of Canadian feature film policies in order to better reflect digital opportunities for film production, distribution and access. The Department also announced Canada's Policy on Audiovisual Treaty Coproduction. Coproduction projects create more Canadian content that have greater audience reach than domestic productions, helping to share Canadian content with audiences at home and in markets abroad. Furthermore, the Canada Interactive Fund was launched to encourage Canadians to be creative in order to reflect the evolution of Canada's cultural landscape; and, the Canada Media Fund was launched to harness new technologies making innovation possible. The Department, in cooperation with Industry Canada and Human Resources and Skills Development Canada, also organized public consultations to inform the development of the Government's Digital Economy Strategy. Almost half of the submissions received dealt with digital content. The submissions focused on investments, other sources of financing, talent and sector development, national institutions, and modern rules and regulations. Comments also addressed infrastructure, the transition to digital over-the-air television and foreign ownership.

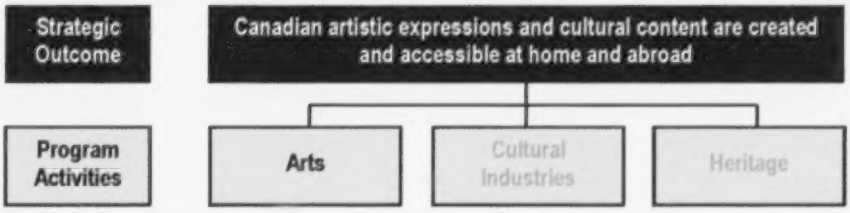
The Canada Book Fund was also launched to enable Canadian publishers to adopt new business models and offer more content to Canadians in emerging formats.

The examination of the Revised Foreign Investment Policy in Book Publishing and Distribution began with an online consultation with the goal of ensuring that Canadians and readers everywhere have access to a broad range of Canadian-authored books.

Results from a 2007 survey on participation and attendance at arts and heritage events and facilities revealed Canadians' enthusiasm for heritage collections and art: 86% of Canadians surveyed had attended at least one type of arts or cultural event or activity in the previous year, with the most popular events being live performances (69%), craft shows (58%) and festivals (53%). As for heritage, 57% of respondents had visited a historic building or site, while 52% had visited a museum or science centre in the past 12 months.

According to Statistics Canada, there were approximately 27 million visitors to heritage institutions across Canada in 2009. Canadians also showed their interest and participated in heritage activities in other ways. There were over 40,000 volunteers at heritage institutions in 2009, representing 75% of the workforce of heritage organizations. Canadians also provided support through fundraising campaigns and other donations, which represented $109.56 millions or 10.8% of heritage institution revenues in 2009.

PROGRAM ACTIVITY 1: ARTS



Program Activity Description

This program activity is necessary to improve Canadians' access to varied artistic experiences and to contribute to the sustainability of the arts sector. This is accomplished through funding programs that support the presentation of professional arts festivals or performing arts series; the improvement of arts and heritage infrastructure; the improvement of business and management capacity of arts and heritage organizations; a greater integration of arts and heritage within municipal planning; as well as institutions that offer training of the highest calibre, in preparation for professional artistic careers. The core concept of this program is to encourage access, sustainability and excellence in the arts for all Canadians.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
125.8	116.3	114.6

Human Resources (FTEs)

Planned	Actual	Difference
193.2	176.4	16.8

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
Canadian artists are prepared for professional artistic careers in Canada and abroad.	Percentage of graduates from funded institutions who are working professionally in Canada and abroad.	At least 75% of graduates from funded institutions, who graduated during the previous fiscal year, are working professionally in Canada and/or abroad.	Exceeded
The sustainability of arts and heritage organizations receiving support from Canadian Heritage is strengthened.	Number of funding sources of arts and heritage organizations, by type.	A least 3 funding sources other than the Department of Canadian Heritage.	Exceeded
Canadians in a variety of communities have access to arts, culture and heritage activities.	Number of communities reached, by geographic location and type (rural, remote or urban).	A minimum of 240 communities across Canada, to be reached jointly by the Canada Arts	Exceeded

		Presentation Fund and the Canada Cultural Spaces Fund.	

Performance Summary and Analysis of Program Activity

In 2009-10, the Department's arts programs received funding to renew programs to provide financial support for training, festivals and performing arts series, infrastructure and good governance, and business practices in arts organizations through to 2014-15. Collectively, these programs are responsible for the Department's investments in the arts and ensuring significant positive impacts for arts organizations and communities across Canada. The programs focus on performance indicators and expected results that speak to excellence in professional development for artists, sustainability of Canadian arts organizations and accessibility of arts and culture programming for the Canadian public.

In 2010-11, the Department continued to support Canada's most promising artists through the Canada Arts Training Fund. Compiled results from the annual survey of funded organizations indicated that 82% of arts graduates are working professionally in their field in Canada or abroad[10]. This exceeds the Department's expected target of 75% and represents an increase of almost 8% over 2009-10 results.

The Department also provided funding to projects that allow Canadians to participate in building creative communities. For instance, the Department funded projects in 260 communities across Canada through the Canada Cultural Spaces Fund (CCSF) and the Canada Arts Presentation Fund, including 175 rural or remote communities. This, once again, surpasses the annual target of 240 communities, demonstrating the Department's commitment to provide access to arts, culture and heritage activities for Canadians in a variety of communities. Since its inception in 2001-02, the CCSF program has contributed to 925 projects in close to 300 communities across Canada through contributions totalling $283.7 million. In 2010-11, the second year of Canada's Economic Action Plan (EAP), the CCSF program contributed to 64 infrastructure improvement projects across the country with a total of $16.8 million in funds awarded.

Arts and heritage organizations that have a broad and varied range of funding sources exhibit the greatest stability. The number of funding sources of arts and heritage organizations is an indicator of their ability to strengthen long-term financial and organizational sustainability. An analysis of the variety of funding sources and revenues of recipients of the Endowment Incentives component of the Canada Cultural Investment Fund indicates that arts organizations have consistently secured multiple sources of revenue since 2007, averaging 10 sources overall, thus far exceeding the target of 3 sources[11]. Since the launch of Endowment Incentives, the federal government's contribution of $122 million has leveraged close to $176 million in donations from the private sector, for a total combined investment of $298 million in arts organizations' endowment funds across Canada.

Cultural Capitals of Canada, another component of the Canada Cultural Investment Fund, awards funding to communities where there is strong local support for arts and culture, in part confirmed by financial commitments from various public and private sources. Consistently since 2005, designated Cultural Capitals have secured at least 3 sources of revenue for planned cultural activities during their year of designation, demonstrated clear commitment at the local level, as well as a strong partnership with all levels of government. Also, during the first intake of the Strategic Initiatives component of the

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[10] Department of Canadian Heritage analysis of the annual survey of the National Arts Training Contribution Program-funded institutions.

[11] As per the Department of Canadian Heritage's analysis of program data for 2009-10.

Canada Cultural Investment Fund, 83 organizations formed various partnerships and shared resources to undertake 15 strategic initiatives which, according to the applicants, are expected to have a direct impact on over 3,000 organizations.

Lessons Learned

Funding from federal sources continues to have a leveraging effect for recipients, as previously noted in program summative evaluations. The following illustrates the long-term impact of a shared investment between the federal government and Canadians in communities across the nation.

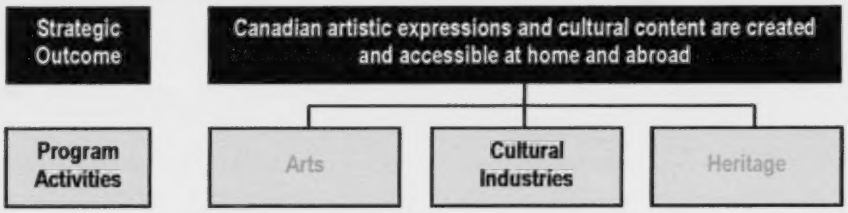
In the first years of the Endowment Incentives component of the Canada Cultural Investment Fund (CCIF), the Department matched the donations to endowment funds at a ratio of one dollar for each dollar raised. Then, in 2005-06, the number of applications received almost doubled from previous years. For the first time, the Program could no longer match the amount raised from the private sector for arts organizations' endowment funds. Its entire budget of $14.9 million was then distributed equally among successful applicants at a ratio of .745 for every dollar raised. This trend has continued ever since.

To date, the federal government's contribution of $122 million has leveraged close to $176 million in donations from the private sector, for a total combined investment of $298 million in arts organizations' endowment funds across Canada. From 2005-06[12] to 2010-11, individuals alone have contributed close to $67 million, almost half of all donations for the period observed. The success of the Endowment Incentives component of the CCIF serves as a prime example of the leveraging effect that federal government investments can have. The Program encourages arts organizations to develop partnerships with Canadians and Canadian businesses in their communities. These partnerships attract more funds for arts and culture organizations, and encourage involvement from various constituents within communities across Canada.

The programs of the Arts Policy Branch continue to explore the power of the leveraging effect of federal investments. For example, in 2010-11, the CCIF launched a new component, Strategic Initiatives which aims to lever resources so that arts and heritage organizations can reach new audiences, make strategic use of new technologies and diversify their revenues – all of which will help them realize their artistic goals while remaining firmly rooted in their communities.

[12] The Program started capturing the information in 2005-06.

PROGRAM ACTIVITY 2: CULTURAL INDUSTRIES



Program Activity Description

This program activity supports the Canadian cultural sector to ensure that a range of Canadian cultural content is produced and is accessible to domestic and international audiences. It also creates conditions that foster sustainability of the Canadian cultural industries. This program activity aims to enable Canadian cultural creators and entrepreneurs to produce, market and export Canadian cultural content. This is achieved through delivering programs and services in the form of grants, contributions, tax credits, and policy, regulatory and legislative measures. The core concept of this program activity is to encourage the creation of Canadian cultural content and its consumption both at home and abroad.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
328.8	311.0	303.5

Human Resources (FTEs)

Planned	Actual	Difference
329.9	301.1	28.8

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
A range of cultural content is created and produced.	Number of cultural works created and produced, by category.	Due to the complexity of performance metrics and their data sources, the definition of a target is particularly challenging.	The Performance Summary and Analysis of Program Activity 2 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.
Canadian cultural industries receiving funding from Canadian Heritage are sustainable.	Gross revenues and/or profit margins of Canadian cultural industries.	Due to the complexity of performance metrics and their data sources, the definition of a target is particularly challenging.	The Performance Summary and Analysis of Program Activity 2 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.
Canadian cultural content is accessible in Canada	Domestic and international reach of Canadian cultural	Due to the complexity of performance metrics and	The Performance Summary and Analysis of

and abroad.	content: ▪ Consumption: e.g., sales, online traffic, circulation ▪ Distribution: e.g., market penetration	their data sources, the definition of a target is particularly challenging.	Program Activity 2 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

Performance Summary and Analysis of Program Activity

With its programs and policies, Canadian Heritage contributes to the creation of Canadian artistic expression and cultural content and offers Canadians, at home and abroad, the opportunity to benefit from the creativity, talent and innovation of our creators. By so doing, the Department also contributes to both the economic and social vitality of our communities.

There has been a significant increase in the number of Canadian cultural works created and produced in each culture category. The latest figures indicate a 9.6% increase in the number of hours of Canadian television produced for 2009-10 (2,422 hours, compared to 2,210 in 2008-09)[13], and an increase of 5.5% in non-daily community newspapers printed in Canada's official languages (1,161 in 2010, compared to 1,100 in 2009)[14]. Canadian artists also released 6.2% more albums in the past year (2,675 in 2009 compared to 2,518 in 2008)[15].

The latest figures also indicate that there were 74 feature films produced in 2009-10[16]. In 2010, there were about 1,665 magazines being published in Canada's official languages. While this number includes consumer, business and farming magazines, it does not include religious or scholarly publications[17].

An analysis of the gross revenues and profit margins of the cultural industries also suggests sustainability in the culture sector. The latest figures indicate the profit margin of Canadian book publishers rose slightly in 2009 to 11.9% from 11.0% in 2008[18]; Canadian music publishing companies also saw a 8.5% increase in gross revenues in 2009 ($154 million in 2009, compared to $142 million in 2008)[19]. The profit margins of most sub-categories of the film and television industry also increased: post-production (6.7% in 2009, compared to 3.5% in 2008); distribution (20.5% in 2009, compared to 18.6% in 2008); and motion pictures theatres (11.9% in 2009, compared to 10.7% in 2008)[20].

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[13] Canadian Media Production Association, *Profile 2010: An Economic Report on the Screen-Based Production Industry in Canada*, 2010, Exhibit 2-52, p. 52.

[14] Canadian Advertising Rates and Data. Accessed online May 30, 2011. www.cardonline.ca.

[15] Department of Canadian Heritage analysis of data provided by the Canadian Music Industry Database and Quebec Collective Society for the Rights of Makers of Sound and Video recordings (SOPROQ).

[16] Canadian Media Production Association, *Profile 2010: An Economic Report on the Screen-Based Production Industry in Canada*, 2010, p. 4.

[17] Canadian Advertising Rates and Data. Accessed online May 30, 2011. www.cardonline.ca.

[18] Statistics Canada, *Survey of Book Publishers – 2009*, Table 1. Accessed online http://www.statcan.gc.ca/pub/87f0004x/2011001/t027-eng.htm.

[19] Statistics Canada, *Sound Recording and Music Publishing*, Catalogue no. 87F0008X, Table 2: Summary statistics for the music publishing industry, Canada, 2007 to 2009. Accessed online http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=87F0008X&lang=eng.

[20] Statistics Canada, *Film and Video Post-production 2009*. Accessed online http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=87-009-X&lang=eng. Statistics Canada, *Film and Video Distribution 2009*. Accessed online http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=87F0010X&lang=eng Statistics Canada, *Motion Pictures Theatres 2009*. Accessed online http://www.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=87F0009X&lang=eng.

Gross revenue generated by interactive digital media activities was estimated at approximately $4.7 billion in 2008 (this also includes video game developers and publishers)[21]. Internet revenues for online publishers were estimated at $1.82 billion in 2009 while revenues for 2010 were forecasted to reach nearly, to $2.1 billion[22].

Overall, access to Canadian cultural content in domestic and international markets also improved which is reflected in the access to cultural content platforms, such as the internet, radio and television, and in consumption patterns. The latest figures indicate that in 2010, 79% of Canadian households had access to the internet[23]. The availability of Canadian radio services in Canada grew slightly (to 1,200 in 2009, up from 1,191 in 2008)[24] and the number of Canadian households that have access to TV5 also increased (to 6,918,000 in 2010-11, up from 6,902,000 in 2009-10)[25]. There was a slight increase in the market share of sales of albums by Canadian artists from 26.2% of total domestic sales in 2009 to 26.94% in 2010[26]. Furthermore, there was a 4.5% increase in total domestic and international sales of Canadian-authored books published by the Canadian book industry (to $879 million in 2008, up from $841 million in 2006)[27].

On the television front, there was an increase in the viewing market share of Canadian English-language Canada (43.9% in 2009, up from 43.3% in 2008)[28]; an increase in the viewing share of French-language television programs in Canada (66.6% in 2009, up from 64.1% in 2008)[29]; and an increase in the TV5 viewing share in Quebec (1.4% in Spring 2011, up from 1.1% in Fall 2010)[30].

In film and video, the market share Canadian films at the box office[31] dipped slightly from 3.3% in 2009 to 3.1% in 2010. For the DVD sales market[32], Canadian feature film productions represented 1.2% of the number of copies sold in Canada in 2010 as in 2009. For the DVD rental market[33], Canadian feature film productions represented 2.9% of all DVDs rented in Canada in 2010 up from 2.5% in 2009.

Furthermore, Canadians consumed about 241.3 million Canadian consumer magazines (not including business, farm, religious or scholarly publications) and 906.5 million non-daily newspapers in Canada's two official languages in 2009.[34]

On the international front, there was an increase in the revenue generated from the performance of music produced by Canadian artists ($47.1 million in 2009, up from $44.9 million in 2008)[35] and an increase in Canadian content in TV5MONDE signals (to

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21 Canadian Interactive Alliance, *Canadian Interactive Industry Profile*, 2008, p. 24.

22 Interactive Advertising Bureau of Canada, *Internet Revenue Survey*, August 10, 2010. Accessed online http://www.iabcanada.com/pr-news/2009-internet-revenue-survey.

23 Statistics Canada, *Canadian Internet Use Survey*, 2010. Accessed online http://www.statcan.gc.ca/daily-quotidien/110525/dq110525b-eng.htm.

24 Canadian Radio-television Telecommunications Commission, *Communications Monitoring Report 2010*, Table 4.2.1.

25 *TV5 Québec CanadaYearly Activity Report*.

26 Department of Canadian Heritage analysis of 2010 Nielsen SoundScan Top 2000 Chart.

27 Statistics Canada, *Survey of Book Publishers -2008*, Catalogue no. 87F0004x. Accessed online http://www.statcan.gc.ca/pub/87f0004x/87f0004x2010001-eng.htm.

28 Canadian Radio-television Telecommunications Commission, *Communications Monitoring Report 2010*, Table 4.3.6.

29 Canadian Radio-television Telecommunications Commission, *Communications Monitoring Report 2010*, Table 4.3.6.

30 *TV5 Market share reports updated to Spring 2011*.

31 Analysis by the Department of Canadian Heritage of data from Motion Picture Theatre Associations of Canada.

32 Analysis by the Department of Canadian Heritage of data from Nielsen VideoScan.

33 Analysis by the Department of Canadian Heritage of data from Rentrak.

34 Canada Community Newspaper Association, *Circulation Report*, Special Request, August 2010 and Hebdos Québec, *Portrait de la presse hebdomadaire au Québec en 2010*, June 2010

35 Society of Composers, *Authors and Music Publishers of Canada, SOCAN 2009 and 2008 Financial Reports*, p. 5. Accessed online http://www.socan.ca/pdf/pub/FinancialReport2009.pdf.

9% in 2010, up from 7.03% in 2009)[36]. Canada continued to be a primary proponent of the ratification and the implementation of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions, and in 2010-11 supported the implementation of relevant initiatives designated to foster the emergence of a dynamic cultural sector in developing countries.

In support of the Government's commitment in 2010 Speech from the Throne to position Canada as a leader in the global digital economy, the Department of Canadian Heritage, in collaboration with Industry Canada, drafted a legislation designed to ensure that Canada's copyright laws are forward-looking and responsive to change. On June 2, 2010, Bill C-32: the *Copyright Modernization Act*[37] was introduced in the House of Commons. The Bill passed second reading on November 5, 2010, and was referred to a Legislative committee for examination. The Bill C-32 Legislative Committee invited a wide range of stakeholders to share their views on the *Copyright Modernization Act*. Between November 2010 and March 2011, the Committee received over 150 written submissions, held 20 meetings, and heard from 76 witnesses. However, Bill C-32 died on the Order Paper as a result of the March 26, 2011 dissolution of Parliament.

The 2010 Speech from the Throne and the 2010 Budget also articulated the Government's intention to develop a Digital Economy Strategy (DES). Industry Canada, Canadian Heritage and Human Resources and Skills Development Canada organized public consultations that ran from May 10 to July 13, 2010. Overall, more than 20,000 Canadians visited the DES consultation Web site. The Government received 272 formal submissions, 148 posted ideas, and over 470 comments.

In 2010-11, the Department of Canadian Heritage also undertook activities to inform the review of feature film policies in order to better reflect digital opportunities for film production, distribution and consumption.

- The Department carried out an internal review to propose changes to modernize the Canadian Feature Film Policy with new policy objectives that will take into account the new ways that consumers view feature films.
- In the context of the Film Distribution Policy, the Department commissioned a study on the state of the audiovisual distribution sector for both English- and French language markets in Canada. The study explored the evolving role of distribution as part of the audiovisual industry, including an economic analysis of the sector.
- The Department examined comments and recommendations in regards to the possible realignment of the Tax Credit Policy in response to the audiovisual industry's rapidly changing environment. Sources of recommendations included those provided by stakeholders during the Digital Economy Strategy and pre-budget consultations, and the Standing Committee on Canadian Heritage Report, *Emerging and Digital Media: Opportunities and Challenges*.

Treaty coproduction yields considerable economic benefits for Canadians, as it generates important sources of employment for Canadian creators, creates new business opportunities and stimulates foreign investment. On February 4, 2011, Canada's Policy on Audiovisual Treaty Coproduction was unveiled. The objective of the policy is to position

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[36] TV5 Monthly programming logs, 2010.

[37] Detailed information about Bill C-32: The *Copyright Modernization Act* is available at: http://www.balancedcopyright.gc.ca. Information about the Bill C-32 Legislative Committee, including the committee membership and transcripts of meeting proceedings, are available at: http://www.parl.gc.ca/committeebusiness/CommitteeHome.aspx?Cmte=CC32&Language=E&Mode=1&Parl=40&Ses=3.

Canada as an audiovisual coproduction partner of choice. It provides direction for future treaty negotiations between Canada and its foreign partners.

An eight-week consultation on the implementation of Canada's Policy on Audiovisual Treaty Coproduction was also launched on February 4 and closed on March 31, 2011[38]. The Department has received more than 30 submissions and comments from audiovisual stakeholders, provincial governments and their cultural agencies and federal partners who are interested in this issue. This input will be key to informing departmental recommendations to the Government of Canada for the implementation of Canada's Policy on Audiovisual Treaty Coproduction. The submissions and comments shared during the consultation process will remain posted online until March 31, 2012.

Furthermore, in September 2010, the Government of Canada announced the resumption of its coproduction negotiations with India. These treaty negotiations will strengthen the already existing relationship between the two countries while supporting the creation of a greater number of original audiovisual productions that can be distributed on a larger scale.

In 2010-11, the Department also successfully launched new and updated cultural industry support programs (Canada Periodical Fund, Canada Media Fund, Canada Interactive Fund, Canada Music Fund and Canada Book Fund). These programs were created or restructured to reflect the transition within the cultural industries to emerging technologies[39].

The Canada Periodical Fund[40] (CPF), a new program for magazines and non-daily newspapers, was launched in April 2010. The CPF builds on previous programs and reflects new directions in federal support for these important cultural industries. Of special note in 2010-11, there was an accelerated application process that ensured a smooth transition for recipients from the previous programs to the new CPF.

The Canada Media Fund was launched in April 2010, replacing the Canadian Television Fund and the Canada New Media Fund, and introduces a more effective, modern approach to supporting the production of Canadian content and its delivery to Canadians as well as, harnessing new technologies to fast-forward Canada's ability to innovate.

The Canada Interactive Fund was launched in May 2010 through an investment of $55 million over 5 years. The goal of the Program is to encourage the creative, online production of Canadian interactive content and applications that are representative of Canada's rich cultural diversity.

The restructured Canada Music Fund was also launched in April 2010. This program was reshaped in order to facilitate the transition of the Canadian music industry to new technologies and, at the same time, increase the visibility of Canadian music on digital platforms and international markets. With an investment of $27.6 million annually over 5 years, the new Canada Music Fund will better target funding towards the development of digital and international market.

The Canada Book Fund was also launched in April 2010, and provides $39.5 million annually over five years for the Canadian book industry. Building from the successes of the previous book program, the streamlined program reduced the administrative burden

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[38] Consultation on the Implementation of Canada's Policy on Audiovisual Treaty Coproduction is available at http://coproduction.pch.gc.ca/en/home/.

[39] Please refer to Priority 1 (Section I) for more details.

[40] Consultations that informed the development of the Canada Periodical Fund are available at: www.canadianheritage.gc.ca/pc-ch/conslttn/fcm-cmf/index-eng.cfm.

for applicants and provided targeted funding to support publishers and industry organizations in seizing the opportunities presented by digital technologies.

During the same period, the examination of the Revised Foreign Investment Policy in Book Publishing and Distribution through a comprehensive consultation process which allowed participants to share with the Department their views on how the policy might further the Government's objective of ensuring that Canadians and readers everywhere have access to a broad range of Canadian-authored books.

As a TV5 partner, in 2010-11 the Government of Canada continued to provide funding to both TV5 Québec Canada and TV5MONDE in order to assist them in modernizing their activities and to favorably position the network in an increasingly fragmented broadcasting environment. Both organizations continued to launch several multiplatform initiatives designed to attract new viewers and to increase interest in their existing platforms such as web television, on-demand television tools, interactive micro sites, mobile applications, social network components, etc.

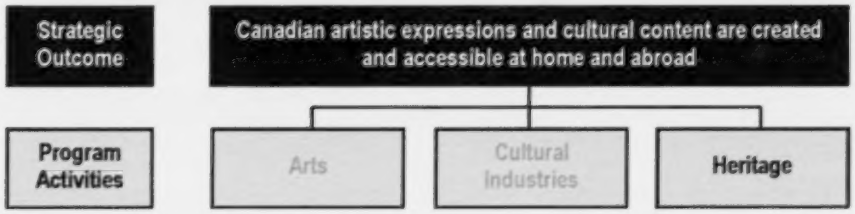
Lessons Learned

Canadians continue to demonstrate high levels of interest in copyright and its implications in an increasingly digital world. The Government of Canada has sought to ensure that the interests of affected parties were taken into account in its efforts to modernize the *Copyright Act*. Before and after the introduction of Bill C-32, the views of key stakeholder groups were gathered and analyzed. This process provided the Department of Canadian Heritage and Industry Canada with a wide variety of perspectives, and, moving forward, will help to ensure that amendments to the *Copyright Act* contribute to a consistent and predictable framework that makes an efficient marketplace possible and serves Canadian interests.

A new feature of the Canada Periodical Fund is a dedicated envelope for exploratory projects from online publishers, designed to help the industry identify viable business models for electronic delivery. In the first year of the Program, however, this new funding opportunity did not attract as many applicants as were expected and, as a result, the Program had a limited impact in this area. In response, the CPF will increase its outreach to the digital publishers and associations to raise awareness of this new program and will establish application deadlines well in advance.

The Canadian Radio-television and Telecommunications Commission set the deadline of August 31, 2011 for the end of analog over-the-air (OTA) television broadcasting in certain markets across Canada, and, ipso facto, the transition to digital television. The Government initiated a collaborative effort with private industry to ensure a smooth and predictable transition. Focusing on consumer awareness, the Department established a consumer-oriented website (www.digitaltv.gc.ca) and the 1-855-DTV-5050 help line to provide broadcaster-specific information.

PROGRAM ACTIVITY 3: HERITAGE



Program Activity Description

This program activity ensures that Canada's cultural heritage is preserved and accessible to Canadians today and in the future. It enables the heritage sector to improve professional knowledge, skills and practices, to preserve and present heritage collections and objects, and to create and circulate exhibitions and other forms of heritage content. This is accomplished by providing funding such as grants, contributions and tax incentives; information, expertise, training and other services; and regulatory and legislative measures. The primary goal of this program activity is to promote the preservation and presentation of Canada's cultural heritage.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
40.9	43.2	41.4

Human Resources (FTEs)

Planned	Actual	Difference
212.3	193.8	18.5

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
Heritage institutions and heritage workers improve their professional knowledge, skills and practices.	Improvement in professional knowledge, skills and practices reported by participants in learning opportunities provided by the Heritage Group, including online learning materials, publications, and training, as well as by recipients of financial assistance.	95% of respondents to the Canadian Heritage Information Network and Canadian Conservation Institute surveys report an improvement in their knowledge, skills and practices as a result of in-person training and on-line learning materials. 50 projects funded through the Museums Assistance Program to improve key museological knowledge, skills and practices.	Exceeded

		1,600 Canadian youth employed in heritage organizations under Young Canada Works in Heritage Organizations.	
Heritage collections are preserved by heritage institutions for current and future generations.	Number of heritage collections and objects (artefacts and works of art) whose preservation has been supported by program interventions (expert services, export regulation, direct and tax-based financial support).	Due to the complexity of performance metrics and their data sources, the definition of a target is particularly challenging.	The Performance Summary and Analysis of Program Activity 3 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.
Canadian and international audiences access content presented by heritage institutions.	Number of visits/visitors to travelling exhibitions and digital heritage content presented through Canadian Heritage Information Network's Virtual Museum of Canada portal.	2,000,000 visitors to travelling exhibitions. Other targets under development.	Exceeded

Performance Summary and Analysis of Program Activity

Through its programs and policies, Canadian Heritage fosters the preservation and presentation of Canada's cultural heritage. According to Statistics Canada, there were approximately 27 million visitors to heritage institutions across Canada in 2009. Heritage visits make a significant contribution to Canada's $74 billion tourism industry, with more than 10 million Canadians annually planning their destinations around the availability of heritage experiences. Canadians also showed their interest and participated in heritage activities in other ways. There were over 40,000 volunteers at heritage institutions in 2009, representing 75% of the workforce. Canadians also provided support through fundraising campaigns and other donations, which represented $109.56 million or 10.8% of the revenues of heritage institutions in 2009.

National museums, which belong to all Canadians, play a special role in preserving and presenting our heritage. Following the successful completion of negotiations with the Pier 21 Society, the Pier 21 Foundation and the Halifax Port Authority, legislation was introduced to amend the *Museums Act* to create the Canadian Museum of Immigration at Pier 21 as Canada's sixth national museum. The bill to establish the new Crown corporation received Royal Assent on June 29, 2010 and came into force on November 25, 2010. The first Board of Trustees was appointed on November 30, 2010. The Canadian Museum of Immigration at Pier 21 was officially inaugurated on February 7, 2011.

Policies and programs related to heritage target three complementary objectives: to increase the professional knowledge, skills and practices of heritage workers and institutions who preserve and present Canada's heritage; to enhance the preservation of our heritage; and to increase public access to new heritage content. Results related to these objectives are highlighted below.

In 2010-11, the Department of Canadian Heritage continued fostering the preservation and presentation of Canadian cultural heritage. To this end, it provided eligible heritage

organizations with skills development resources and opportunities in preservation, collections management, content development and presentation. In 2010-11, 1,677 Canadian youth were employed in heritage organizations as the result of a $7.6 million investment by the Young Canada Works program. Through the Museums Assistance Program, 56 projects to improve key museological knowledge/skills/practices received $2.5 million in investment.

The Canadian Heritage Information Network (CHIN) added 21 new resources to its online processional resources to enhance skills related to digital content. These resources attracted nearly 500,000 visits. CHIN also delivered 22 presentations and workshops across Canada which attracted 903 heritage professionals and volunteers. Overall, in 2010-11, 97% of CHIN workshop/session survey respondents reported an improvement in their knowledge/skills/practices. Fifty-three new members registered to be part of CHIN's museum network, which now comprises 1,476 member heritage institutions collaborating to find collective solutions to critical issues in the realm of digital heritage.

The Canadian Conservation Institute (CCI) initiated testing of a newly-developed Collections Risk Assessment tool at the Glanmore National Historic Site (Belleville, Ontario) and at Eldon House (London, Ontario). The tool identifies and assesses the key risks to a collection, and enables heritage institutions to plan their collections preservation projects, targeting those risks that are most likely to cause the greatest loss in collection value. Additionally, 100% of CCI's survey respondents reported an improvement in their knowledge/skills/practices as a result of their participation in professional development programs provided by CCI.

The Department fosters the preservation of Canada's heritage through legislation, research and services and financial support in the form of both tax expenditures and grants and contributions.

The Movable Cultural Property Program (MCP) helps to ensure that heritage collections of outstanding importance and national significance are retained in Canada and available to the public. Tax incentives under the *Cultural Property Export and Import Act* encourage collectors to donate or sell important fine art, archival and library material to public institutions. In 2010-11, approximately 4,000 objects valued at close to $85 million received tax certifications from the Cultural Property Export Review Board.

In accordance with the Act, MCP also collaborated with the Canada Border Services Agency to return to the People's Republic of China 35 ancient fossils that had been illegally exported from China and imported into Canada.

By the end of 2010-11, the Department had finalized essential consultations necessary to advance the modernization of certain technical amendments to Regulations to the *Cultural Property Export and Import Act*. Possible amendments to modernize the Act itself, as well as further related regulatory changes, are under consideration.

In 2010-11, the number of collections and objects whose preservation was supported by the CCI's expert services increased by 35% from 2009-10 performance. In 2010-11, scientists and conservators working at CCI treated and analyzed 228 individual artifacts and 28 sets of archeological objects.

The Museums Assistance Program invested more than $1.7 million in 25 projects to enhance the preservation of Aboriginal heritage across Canada.

Exhibitions and online content provide Canadians with the opportunity to learn about the events, experiences, land and people that have shaped Canada's history and to appreciate the creativity that has been stimulated as a result.

CHIN invested in the creation of 51 new online exhibits that will be released from 2011 to 2013 and added 12 multimedia virtual exhibits, 38 local history Community Memories exhibits, and 816 customizable learning resources to the Virtual Museum of Canada, which in turn attracted nearly 2.4 million visits.

The Museums Assistance Program invested more than $2.2 million in the development and circulation of 56 travelling art, history, and science and technology exhibitions.

In 2010-11, the volume of applications initially received by the Canada Travelling Exhibitions Indemnification Program exceeded the Program's annual contingent liability limit of $1.5 billion. To address the situation, the Program developed a strategy to respond to client needs to the extent possible. Ultimately, following significant adjustments in exhibition content, which reduced exhibition values, the total approved indemnity was approximately $748 million. Nine (six new) travelling exhibitions travelling to 11 venues received indemnification and attracted a total of 1.27 million visitors.

Lessons Learned

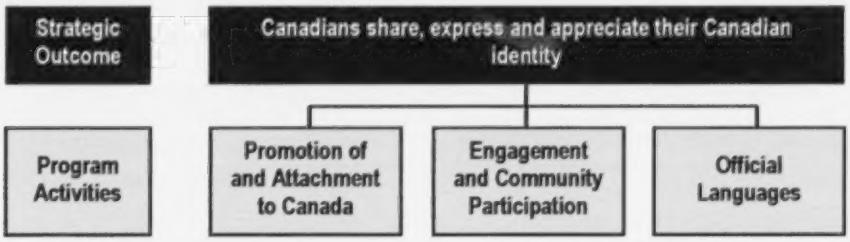
A key challenge in creating the Canadian Museum of Immigration at Pier 21 was to ensure that the accountability of the Board of Trustees for all aspects of the operation of the new Crown corporation would be protected while, at the same time, taking advantage of the transfer of assets from the Pier 21 Society and Foundation. This required the development of new approaches with respect to human resources, initial operating resources and leasing arrangements. The analytical work that led to the successful outcome of the negotiations may be useful in the future should the Government wish to establish additional national museums.

Given that the Regulations to the *Cultural Property Export and Import Act*, adopted in 1977, had never been amended previously, the analysis of both substance and process has provided useful learning that can be applied to this and other heritage legislation in the future.

Regarding the Canada Travelling Exhibitions Indemnification Program, the strategy adopted in order to mitigate the risks associated with the high volume of applications received proved effective in assisting the Program in the short-term management of available contingent liability when faced with applications of increasingly greater values.

STRATEGIC OUTCOME 2

Canadians share, express and appreciate their Canadian identity[41].


Strategic Outcome
Canadians share, express and appreciate their Canadian identity
Program Activities
Promotion of and Attachment to Canada
Engagement and Community Participation
Official Languages

Performance Indicators

- Level of appreciation by Canadians of Canadian shared values.
- Level of active participation by Canadians in their society.

Performance Summary

By connecting with one another, Canadians of all origins can celebrate Canada and further build an understanding of the country and of our shared values. Through its activities, the Department advanced the sharing, expression and appreciation of Canadian identity by providing opportunities for all Canadians to gain further knowledge and experiences of Canada. In 2010-11, the Department was involved in a number of exciting and unique opportunities promoting attachment to Canada, and participation in communities through engagement in commemorations, celebrations, events and other activities; fulfilled Canada's international human rights reporting obligations and raised awareness and understanding of human rights; enabled Aboriginal peoples to address the social, cultural, and economic issues affecting their lives, and strengthened their cultures; and continued implementing the *Roadmap for Canada's Linguistic Duality 2008-2013*.

There is evidence to believe that Canadians indeed appreciate our shared values, participate actively in their communities and country, and also feel a sense of attachment to and pride in Canada.

- Most Canadians (71%) agree that "despite all our differences, Canadians essentially share the same values"[42].
- A vast majority of Canadians (85%) report trusting "Canadian people in general"[43].
- Moreover, 65% of Canadians report participation or membership in at least one group or organization in the past 12 months, and of these participants/members, 46% report participating in group activities or meetings at least once per month[44].

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[41] Description of Strategic Outcome 2 is available in *2010-11 Canadian Heritage Report on Plans and Priorities* at: http://www.tbs-sct.gc.ca/rpp/2010-2011/inst/pch/pch02-eng.asp#2.2

[42] Strategic Counsel/Globe and Mail/CTV (2009) *Attitudes about Canada*.

[43] World Values Survey Association (2011) *Values Surveys Databank* – 2006 Canada Data.

[44] Statistics Canada (2008) *General Social Survey*, Cycle 22.

- Nearly 9 out of 10 (87%) Canadians declare being very or somewhat attached to Canada, including 95% of English-speaking Canadians, 90% of Allophones, and 60% of Francophones[45].

- Furthermore, pride in being Canadian is very widespread – 95% of Canadians report that they are very or somewhat proud to be Canadian[46].

Our official languages represent a key element of our Canadian identity. In 2010, the Department renewed its memorandum of understanding relating to official-languages education with the Council of Ministers of Education, its federal-provincial/territorial agreements with regards to education and to services, as well as its collaboration agreements with community networks in each province and territory. Moreover, one key sign of the success of the Department's efforts is the growing number of federal institutions directly participating in the development of official language communities in their areas of responsibility.

Because a sense of shared history and heritage supports attachment to and appreciation of Canadian identity, the Department provides opportunities for Canadians to commemorate significant people, places and events. For instance, the Department is supporting The Memory Project: Stories of the Second World War, a multi-year nationwide bilingual project offering an online oral history archive of firsthand testimonials of Canada's participation in the Second World War. This online archive has generated significant interest and to date there have been 462,000 visitors to the web site. In 2010, the second year of the project, 12 digitization events that brought together hundreds of veterans and students were held in 9 provinces and 1 territory. Over 4,000 artifacts were digitally archived to preserve an important aspect of Canadian history for generations to come.

The sense of attachment to Canada is often formed and reinforced by opportunities to participate in national and community celebrations and commemorations. The Department supports community celebrations during the Celebrate Canada period from June 21 through July 1 (National Aboriginal Day, Saint-Jean-Baptiste Day, Canadian Multiculturalism Day, and Canada Day). In 2010, approximately 9 million Canadians participated in over 3,000 community events across Canada celebrating one or more of these days. Compared to last year, there were more community celebrations held in this period and an increase of over 1 million in the number of total participants. Moreover, through the Building Communities through Arts and Heritage Program, the Department supports activities that celebrate local arts and historical heritage, with the objective to engage citizens. In 2010-11, the Building Communities through Arts and Heritage Program supported 914 projects held in 561 communities across the country.

The Canadian Crown is an important part of Canadian identity and history. Royal tours provide Canadians with opportunities to participate in national and community events and to increase awareness of the constitutional monarchy. The 2010 Royal Tour of Her Majesty The Queen and His Royal Highness The Duke of Edinburgh took place from June 28 to July 6, 2010. Covering five Canadian cities (Halifax, Ottawa, Winnipeg, Toronto and Waterloo) over a period of nine days this Tour brought many Canadians into contact with Her Majesty. The 2010 Royal Tour received extensive media coverage and over 1 million viewers watched the broadcast of the noon show on Parliament Hill on Canada Day.

Canada's presence at Expo 2010 in Shanghai was a source of pride for many Canadians. Approximately 90% of Pavilion visitors said they learned about Canada's theme messages

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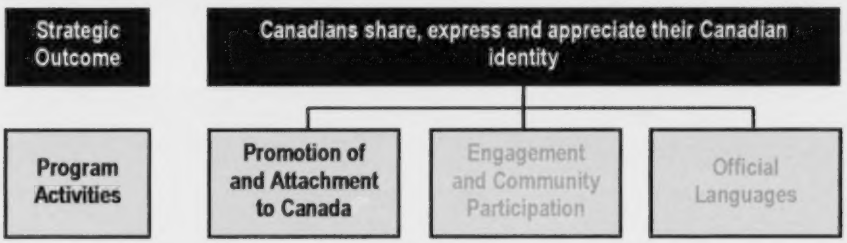
[45] Association for Canadian Studies/Léger Marketing (2010) Canada's 'Very Attached': Quebecers push language over nation amongst markers of identity to which Canadians are most attached.

[46] Environics (2010) Focus Canada.

and left with a more favourable impression of Canada. Canada Pavilion visitors ranked the Canada Pavilion as "the clear winner" amongst those they visited and indicated their Pavilion experience increased the likelihood that they would come the Canada to work, to study or vacation.

PROGRAM ACTIVITY 4: PROMOTION OF AND ATTACHMENT TO CANADA


Strategic Outcome
Canadians share, express and appreciate their Canadian identity
Program Activities
Promotion of and Attachment to Canada
Engagement and Community Participation
Official Languages

Program Activity Description

This program activity promotes Canadian identity through building trust, pride, and a sense of national purpose in Canadians. It represents and celebrates Canada to Canadians and Canada to the world, showcasing ingenuity, achievements, innovations, excellence and leadership; and expresses shared values, cultural diversity and Canada's place in the global community. It also promotes civic education and participation among young Canadians through exchanges, forums, youth-led projects, and community service, as well as provides them with the opportunity to learn about and understand Canada's society, diversity, history and institutions. The core concept of this program activity is to promote Canadian values to Canadians and the world.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
79.2	89.9	84.5

Human Resources (FTEs)

Planned	Actual	Difference
120.0	109.5	10.5

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
Knowledge of and appreciation for Canada's shared values and common interests by Canadians, particularly youth, and by the international community.	Percentage and rate of Canadians reached by Canadian Heritage initiatives who report increased level of awareness, knowledge of and appreciation for Canada's values and culture.	75% of Exchanges Canada (youth exchanges/forums) participants report increased knowledge and understanding of Canada, links and connections with other young Canadians and an appreciation for diversity and commonalities. Due to the complexity of performance metrics, the	Exceeded The Performance Summary and Analysis of Program Activity 4 (see

		definition of other targets for this performance indicator is particularly challenging.	below) describes key results achieved in 2010-11 in more detail for this performance indicator.
	Percentage of international recognition for Canada's values and common interests.	15% of Canada Pavilion visitors interviewed report an increased awareness of Canada's theme messages during Expo 2010.	Exceeded
	Percentage of Canadians reached by activities, events, commemorations and exhibits.	Due to the complexity of performance metrics and their data sources, the definition of a target is particularly challenging.	The Performance Summary and Analysis of Program Activity 4 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

Performance Summary and Analysis of Program Activity

The Department is active in the promotion of Canadian identity through the building of trust, pride, and a sense of national purpose in Canadians. It enables Canadians and the rest of the world to participate in and celebrate Canada, showcasing ingenuity, achievements, innovations, excellence, and leadership; expressing shared values, cultural diversity, and place in the global community. The Department is committed to promoting civic education and participation among young Canadians and to providing them with opportunities to learn about and understand Canadian society, diversity, history, and institutions.

The Celebration and Commemoration Program provides access to celebrations and commemorations across Canada. In 2010-11, the Program provided nearly $10.6 million in funding resulting in more than 3,000 community celebrations and several national events and pan-Canadian commemorative projects highlighting our history, diversity and achievements.

From June 28 to July 6, 2010, Her Majesty The Queen and His Royal Highness The Duke of Edinburgh toured Canada, covering five Canadian cities (Halifax, Ottawa, Winnipeg, Toronto and Waterloo). This was The Queen's 22nd royal tour to Canada. As with all royal tours, one of the goals was to bring as many Canadians as possible into contact with Her Majesty and His Royal Highness. Her Majesty attended Canada Day celebrations on Parliament Hill with over 100,000 people who had gathered there. Viewership for the 2010 Canada Day noon show was over 1,000,000 and there was significant media coverage of the royal tour (over 2,300 print articles, more than 675 web articles, and over 975 television reports).

Canadian Heritage is also responsible for organizing Canada's participation - including that of other federal departments, provincial/territorial governments and the private sector - in international expositions abroad and at home. In 2010, the Department coordinated Canada's participation in Expo 2010 Shanghai, which included the Canada Pavilion, its public exhibits, cultural programming, business and trade activities and outreach in both China and Canada. The Canada Pavilion was designed to reflect Canadian values of inclusivess, sustainability, and creativity. Canada's participation was recognized by many awards, including an "Expo Oscar", for being the "Most Environmentally Friendly Pavilion" and a prize for being one of the most commercially successful pavilions.

The Canada Pavilion welcomed more than 6.4 million visitors over the 183 consecutive days that Expo was open from May to October 2010 averaging roughly 50 visitors per minute, during 183 consecutive days. The Pavilion and its public display were developed through a unique collaborative arrangement with Cirque du Soleil, along with Canada's cultural program which showcased close to 200 Canadian artists from across Canada and included 61 live performances and 5 multi-artist concerts. The Canada Pavilion Conference Centre hosted 6,000 invited guests at more than 100 events ranging from Canada-China investment seminars, business meetings, signings of memoranda of understanding/agreements and educational forums. Attendees and speakers included leaders of some of Canada's largest financial institutions and business organizations, around 30 mayors, 5 provincial premiers, 11 Federal Cabinet ministers and Canada's Governor General.

Through participation in Expo 2010, Canada advanced its foreign policy and international trade goals, reinforced diplomatic and cultural ties with China, and strengthened Canada's brand image in China. Media reports were positive with over 2,500 reports in China, equivalent to an estimated media value of $ 23 million CDN and more than 200 national and regional English and French reports in Canada, including the season's opening of the popular CBC television show, The Rick Mercer Report.

Through programs such as Canadian Studies, Exchanges Canada, Katimavik and Youth Take Charge, the Department provided opportunities for Canadians to become more knowledgeable about Canadian society, civics and history, and be connected to each other and active in their communities.

In 2010-11, the Canadian Studies Program provided over $4.5 million in funding for the development of learning materials and the organization of learning activities, and exposed hundreds of thousands of Canadians to knowledge about Canada's history, civics, and public policy. Three important new initiatives were added to the Canadian Studies Program's project portfolio in 2010-11; Action Canada's leadership development program; The Historica-Dominion Institute's *The Canadian Encyclopedia Online*, which attracts on average 7.2 million visitors annually and comprises over 40,000 articles in both official languages; and the University of Toronto and the Université Laval joint project *Dictionary of Canadian Biography*, which had over 2.1 million visits in 2009-10, and comprises over 8,400 biographies.

Through the Exchanges Canada Program, the Department of Canadian Heritage supported youth participation initiatives that allowed approximately 12,800 young Canadians to learn about Canada, create linkages with each other and better appreciate the diversity and shared aspects of the Canadian reality. For example, 83% of youth participants agreed that as a result of their participation in the Program they learned new things about Canada; 87% agreed that they learned about Canadian cultural communities other than their own; and 94% indicated that their participation in the Program resulted in new ties with people from other communities[47].

In 2010-11, through the Katimavik Program, the Department of Canadian Heritage provided nearly 600 youth from diverse groups and regions of Canada with opportunities to enhance their appreciation of Canada and its diversity, as well as to develop their personal, social and professional skills through community service. The Program carried out projects in approximately 70 communities across Canada, which involved nearly 620 community organizations.

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[47] Given that the results from participant surveys for a specific fiscal year are only made available the following fiscal year in September, statistics provided here reflect the 2009-10 survey results.

In May 2010, the Department of Canadian Heritage established and launched the new Youth Take Charge Program. The response to the Program launch has been very positive, with over 180 organizations serving youth across Canada submitting applications to the first two program intakes. In 2010-11, the Program supported multiyear projects potentially involving up to 12,000 youth. Through these opportunities, it is expected that youth will gain awareness of the importance of being active and engaged citizens and of being involved in their communities.

Lessons Learned

The use of social media such as Twitter, You Tube and Flickr significantly increased access to the Royal Tour of Her Majesty The Queen and His Royal Highness The Duke of Edinburgh and garnered increased participation of Canadians.

RoyalTour.gc.ca was launched on June 15, 2010. This was the first time Canadian Heritage implemented social media tools (Twitter, YouTube, Flickr, and Google Maps) and used technology to inform and engage Canadians, which in concrete terms means:

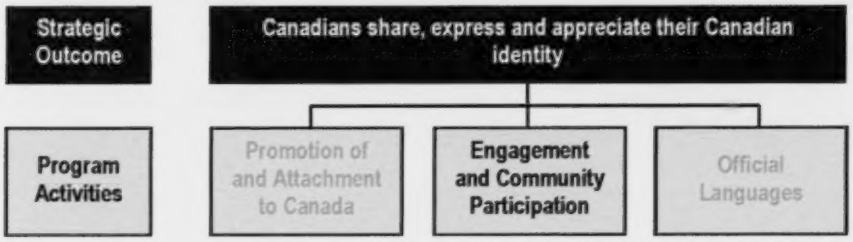
- about 60,000 visits to the Royal Tour website (between June 30 and July 8, 2010);
- more than 30,000 viewings of the videos; and
- approximately 10,000 viewings of the photos.

With regard to international expositions, establishing collaborative relationships in the host country, with other participating countries and with partners and contractors in Canada is key. Objective research is essential, in order to: a) adapt Canada's messages in culturally appropriate ways for the host country and b) assess achievements and lessons learned. The Department has learned through experience that data from the following sources are most useful for objective quantitative assessments of short-term results: media/website analyses, Pavilion visitor records, partners' reports and public opinion research pre-, during and post-Expo. The Department's intent is to apply these lessons learned when planning Canada's participation in future expositions.

In 2010-11, the Exchanges Canada Program began implementing the recommendations set forth by the summative evaluation completed in 2010[48]. To this effect, the Program has improved its client services by establishing service standards for the processing of funding applications and publishing these standards on the Exchanges Canada website. The Program also modified its parent, participant and organizer questionnaires for distribution in fiscal 2011-12, which will improve its performance measurement. Lastly, a cost-per-participant reporting tool was also developed to support accountability and decision-making.

[48] Online version of the *Summative Evaluation of the Exchanges Canada Program (2010)* is available at: http://www.pch.gc.ca/pgm/em-cr/evaltn/2010/2010-03-1/index-eng.cfm

PROGRAM ACTIVITY 5: ENGAGEMENT AND COMMUNITY PARTICIPATION


Strategic Outcome
Canadians share, express and appreciate their Canadian identity
Program Activities
Promotion of and Attachment to Canada
Engagement and Community Participation
Official Languages

Program Activity Description

This program activity aims to ensure that Canadians are engaged and have the opportunity to participate in the civil, social and cultural aspects of life in Canada and in their communities. This is accomplished through funding programs and initiatives that support the efforts of communities to build stronger citizen engagement and social inclusion through the performing and visual arts; express, celebrate and preserve local heritage; and contribute to increasing the respect for and awareness of human rights in Canada and develop innovative and culturally appropriate solutions to the social, cultural, economic and other obstacles that impede Aboriginal peoples' community and personal prospects. This program activity has strong social benefits, as it contributes to the preservation of the history and identity of Canada's diverse communities, while offering a way for traditions and identities to evolve over time. The program activity supports the Department's mandate to strengthen Canadian identity and values and build attachment to Canada.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
89.4	90.0	88.2

Human Resources (FTEs)

Planned	Actual	Difference
133.1	121.5	11.6

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
Canadians are engaged and have the opportunity to participate in social and cultural aspects of community life in Canada.	Level of engagement and participation by Canadians in social and cultural aspects of community life in Canada.	Due to the complexity of performance metrics and their data sources, the definition of a target is particularly challenging.	The Performance Summary and Analysis of Program Activity 5 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

Performance Summary and Analysis of Program Activity

Through various initiatives, this program activity speaks to the impact of programs on Canadians and their engagement, and on their participation in the economic, social, political, and cultural aspects of Canadian society. This program activity also provides opportunities for Canadians to celebrate and preserve their local arts and heritage; it contributes to increased respect for and awareness of human rights in Canada; and, it supports Aboriginal peoples and their communities in the preservation and strengthening of Aboriginal languages, cultures and identity and a fuller participation in Canadian society.

In the area of human rights, Canadian Heritage prepares Canada's reports to the United Nations (UN) on the seven international human rights treaties to which Canada is a party. Following an initial report one or two years after ratification, reporting is on a four- or five-year cycle for each treaty. In 2010-11, Canadian Heritage fulfilled its reporting obligations to the UN by submitting Canada's sixth report under the *Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment* and Canada's nineteenth and twentieth reports under the *International Convention on the Elimination of All Forms of Racial Discrimination*. The Department also led and/or coordinated the preparation of Canada's sixth report on the *International Covenant on Economic, Social and Cultural Rights*, and the sixth report on the *International Covenant on Civil and Political Rights*.

In 2010-11, the Building Communities through Arts and Heritage Program (BCAH) provided funding to a total of 914 arts and heritage projects that included 773 local festivals, 111 community anniversaries and 30 commemorative capital projects, in 561 communities across the country. The funding BCAH provided to local festivals, community anniversaries, and commemorative capital projects gave increased exposure to local artists and artisans within their community, provided Canadians with the opportunity to engage in their communities through the performing and visual arts as well as through the expression, celebration and preservation of local historical heritage.

In 2010-11, under the Aboriginal Peoples' Program, 18 Aboriginal Youth Advisory Committees assisted in the creation of 228 projects through Cultural Connections for Aboriginal Youth (CCAY) in which 63,092 Aboriginal youth across Canada participated to learn about their heritage, culture and identity, build self-confidence, leadership, and to engage with their communities. These advisory committees work with the community to determine local priorities and assess CCAY proposals against community needs and Canadian Heritage Guidelines for CCAY applications.

The Department entered into a contribution agreement with the National Association of Friendship Centres (NAFC) for operational support (core funding) for the NAFC and 118 Aboriginal Friendship Centres across Canada, enabling them to offer programs and services focusing on social development and community engagement to the urban Aboriginal population across Canada. The Department also funded 40 projects to support Aboriginal women in strengthening their culture and identity and engaging in their communities.

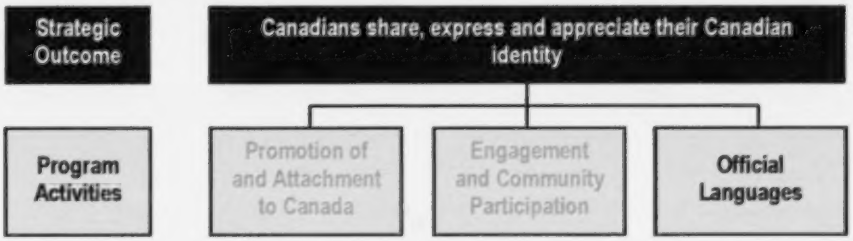
Moreover, through contribution agreements, 55 national, provincial and regional Aboriginal organizations received funding to carry out preservation, revitalization and Aboriginal language and culture promotion projects across Canada. The key initiatives carried out through these agreements primarily focused on the preservation, development and enrichment of Aboriginal languages. Other initiatives also included the production and televised broadcast of the National Aboriginal Achievement Foundation Awards; National Aboriginal Day events that featured performances and cultural demonstrations; and the production of original radio and television programming in 17 Aboriginal languages in 367 Aboriginal communities in Canada.

Lessons Learned

In response to client recommendations, the Building Communities through Arts and Heritage Program has simplified its application forms and procedures to facilitate access and lighten the application and reporting processes. Furthermore, the Program has also changed its application deadline date from April 30 to April 1 to better fit timelines for summer projects.

The Aboriginal Peoples' Program has implemented a risk-based approach to monitor all contribution agreements for activities, expenditures, and results. The overall risk rating will dictate whether a grant or contribution is appropriate, as well as the choice of an appropriate monitoring mechanism, the recipient reporting and payment schedule, and the need for a recipient audit. Agreements that are assessed as moderate or high risk will be subject to greater scrutiny, with actions taken based on the type and degree of risk. This will ensure that activities and expenditures are in accordance with the terms of the agreement.

PROGRAM ACTIVITY 6: OFFICIAL LANGUAGES


Strategic Outcome
Canadians share, express and appreciate their Canadian identity
Program Activities
Promotion of and Attachment to Canada
Engagement and Community Participation
Official Languages

Program Activity Description

Canadian Heritage is responsible for the planning, implementation and management of the Official Languages Support Programs pertaining to the promotion of linguistic duality within Canada and the development of official language minority communities, in accordance with Canadian Heritage's mandate pursuant to article 43 of the *Official Languages Act* (OLA). This activity connects to the Government Outcome "A diverse society that promotes linguistic duality and social inclusion." Canadian Heritage plays a coordination and support role among federal institutions in the implementation of their commitment to the development of official language minority communities and to the promotion of linguistic duality, as conferred by article 42 of the OLA. Canadian Heritage is also responsible for the horizontal coordination of the Official Languages Program covering all activities of federal institutions subject to the OLA, including language of service or of work, support for the promotion of linguistic duality within Canada and support for the development of official language minority communities.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
359.8	356.0	354.5

Human Resources (FTEs)

Planned	Actual	Difference
135.9	124.1	11.8

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
Canadians recognize and support linguistic duality.	Recognition by Canadians of the benefits of linguistic duality.	The percentage of Canadians who report that having two official languages is key to their definition of being Canadian should be equal to or greater than 62%*. The percentage of Canadians who believe that official bilingualism increases employment and business	The Performance Summary and Analysis of Program Activity 6 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

		opportunities for all Canadians should be equal to or greater than 68.8%*.	
Official language minority communities can live in their language, in their communities.	Satisfaction of official language minority communities with access to programs and services provided by community organizations, and provincial, territorial and local governments.	The percentage of members of official language minority communities that report being satisfied with the regional services offered in their language should be equal to or greater than 73.8%*.	The Performance Summary and Analysis of Program Activity 6 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.
	Official language minority communities' confidence regarding enhancement of their community.	The percentage of members of official language minority communities who report being confident that their community will remain strong in the future should be equal to or greater than 69.6%*.	The Performance Summary and Analysis of Program Activity 6 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

* Baselines established from the 2006 survey.

Performance Summary and Analysis of Program Activity

In 2010-2011, Canadians' ability to live in the language of their choice in official language minority communities (OLMC) increased, the proportion of Canadians understanding the benefits of linguistic duality and who have the tools to appreciate it grew, and the Government of Canada's official languages capacity was strengthened. To do this, Canadians took advantage of a range of measures in the areas of health, immigration, justice, economic development and the arts and culture.

Over the last fiscal year, activities implementing the *Roadmap for Canada's Linguistic Duality 2008-2013: Acting for the Future*[49] affected a number of strategic priority areas like health, immigration and economic development as well as the arts and culture. In total in 2010-2011, i.e. during the third year of the Roadmap implementation, more than 215,6 million dollars were invested.

Canadian Heritage continued to coordinate the implementation of the Roadmap in close cooperation with all Roadmap partners, which represent 15 federal departments and agencies. In particular, the Department, with its partners, reviewed all strategic performance indicators for each of the 32 Roadmap components to ensure that concrete results are achieved.

The Department kept informed of the needs and priorities of key Roadmap stakeholders on a regular basis. In particular, the Department held dialogue days in Ottawa in May 2010. These meetings brought together minority community and linguistic duality stakeholders, as well as all federal Roadmap partners. The session provided updates on the state of official languages in Canada and an opportunity to confirm the needs and priorities in this field.

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[49] For more information on the Roadmap, please see the horizontal initiatives tables on the following website: http://www.tbs-sct.gc.ca/rpp/2010-2011/inst/pch/st-ts04-eng.asp.

The Musical Showcase Program for Artists from Official-language Communities programs helps artists reach a broader audience locally, nationally and internationally as part of large-scale events and tours for promoting the development of their professional careers. It also enables Canadians to have more opportunities to attend performances of Canadian music in their official languages. In 2010-2011, 538 musical showcases were presented with a total of 236 OLMC artists participating.

In 2010-2011, the Department developed and implemented the Official Languages Performance Information Management System. This system, now operational, is structured the same way as the results-based Horizontal Management and Accountability Framework, i.e. with performance indicators at all levels of results (immediate, intermediate, and end results). This online tool enables the partners to enter data, while also enabling Canadian Heritage to generate annual and themed reports using the information collated by the partners.

In 2010-2011, the Department continued its activities for the development of official language minority communities, notably through direct support to over 400 national, provincial and local community organizations nationwide. These organizations create networks making it possible to support community media (27 radio stations and 74 newspapers) in as many communities; to support the work of 131 local, regional and national cultural organizations; and to create activities in 130 community and cultural centres and 68 community schools or Community Learning Centres across the country.

Between March 2010 and March 2011, eight cooperation agreements were signed and five more are currently in the renewal process with the representatives of each of the 13 official language minority communities[50]. These agreements establish the principles for cooperation between the Department and the network of associations of each province or territory, and present the development priorities identified by each community.

Moreover, one of the undeniable signs of the success of the official languages support programs is the growing number of federal institutions directly participating in the development of official language minority communities in their areas of responsibility. Following the example of the federal government, the provincial and territorial governments are also taking a growing number of measures in this direction.

Through education agreements, these programs also work closely with all the provinces and territories to enable nearly 245,000 young Canadians living in minority situations to study in their language in more than 900 schools and 40 minority school boards across the country; and more than 2.4 million young Canadians are given the opportunity to learn French or English as a second language, including over 317,000 students in immersion programs.

Finally, these programs have enabled more than 100 Canadian volunteer organizations working in all areas (e.g., health, the arts and culture, the environment, professional associations) to hold a portion of their events in both languages and have made it possible for 9,000 young Canadians to upgrade their language skills through various programs.

Lessons Learned

In 2010-2011, the Department continued the work undertaken previously to improve the procedures for approving and disbursing grants and contributions. Canadian Heritage

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[50] During fall 2008, the study of old agreements and options to determine the format for future agreements was undertaken and discussions with spokespersons of the association movement on the options for improving the content of new agreements were conducted.

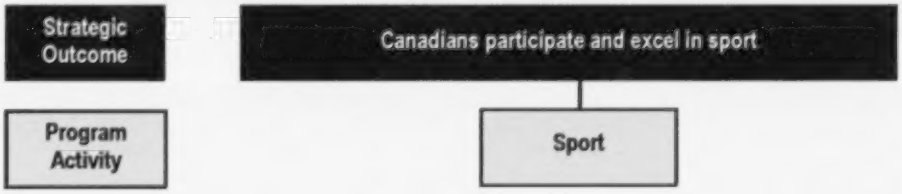
continued to pay particular attention to the concerns expressed in 2009 by the communities regarding funding delays, and the Department continued to take concrete steps to improve the efficiency of its programs in this regard. The threshold has been raised over which financial support is given through a contribution agreement and which is given through a grant. This means simplified reporting for many groups whose financial support is below this threshold. Measures were also taken to promote multi-year funding (over two years). In 2010-2011, multi-year funding was granted to nearly 135 out of 279 (48%) organizations. In addition, the Department will now allow organizations to receive temporary payments at the start of the year in order to prevent the interruption of operations (25%). Accordingly, by April 1, 2010 nearly 90% of OLMC organizations had received funding approval for their programming for the 2010-2011 fiscal year. Service standards that commit the Department to reducing the processing time for approvals to 24 weeks were also published during the fiscal year.

Finally, following a study of how committees are functioning, changes were made to the horizontal governance structure of the Official Languages Program. The new structure was announced by the deputy minister of Canadian Heritage in March 2011. The structure is supported by the following three committees:

1. The Committee of the Assistant Deputy Ministers on Official Languages;
2. The Executive Committee of the Assistant Deputy Ministers on Official Languages;
3. The Official Languages Program Interdepartmental Coordination Steering Committee.

STRATEGIC OUTCOME 3

Canadians participate and excel in sport[51].



Performance Indicators

- Rate of participation by Canadians in sport activities.
- International ranking at the Olympic/Paralympic Games and World Championships.

Performance Summary

Sport events and participation in sport activities help build our communities and our sense of belonging and pride in Canada. Canadian Heritage programs and policies aim to make the Canadian sport system more effective and, in the longer term, anticipate that more Canadians will participate and excel in sports.

Programs and policies supporting sport participation are intended to reverse Canadians declining participation rates.

With regard to sport participation, the 2009 Physical Activity Monitor[52] found that[53]:

- 27% of Canadians 15 years of age and older participate in sports (defined as physical activities usually involving competition and rules and that develop specific skills).
- The overall sport participation rate in 2009 was generally similar to 2008 (30%), but lower than the rate in 2004 (36%). Overall, sport participation in Canada, from 1992 to 2005, was on the decline[54].
- 69% of sport participants reported engaging in at least one team sport, while 49% participated in at least one individual sport. Over and above involvement as players, Canadians participated as coaches (19%), and officials or referees (5%).

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[51] Description of Strategic Outcome 3 is available in *2010-11 Canadian Heritage Report on Plans and Priorities* at: http://www.tbs-sct.gc.ca/rpp/2010-2011/inst/pch/pch02-eng.asp#2.3

[52] Canadian Fitness and Lifestyle Research Institute (2009). Sport Participation Rates in Canada. *2009 Physical Activity Monitor: Facts and Figures Bulletin Series*. Bulletin #8.

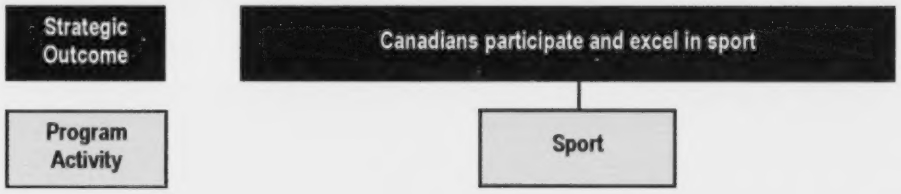
[53] This 2009 study examines local opportunities in the community for physical activity and sport, including availability, usage, importance and satisfaction with facilities and programs, availability and type of information, and social norms for walking. This report also includes adult sport participation data.

[54] Statistics Canada. *Sport Participation in Canada (2005). Culture, Tourism and the Centre for Education Statistics Division*. Research paper.

Canada's ranking on the Sport Canada Nations Ranking Index is used as a measure of excellence. The Olympic Ranking Index is based on results per nation across all Olympic events at Olympic Games and Senior World Championships, over a four-year time frame. The Paralympic Ranking is based on the medal results per nation at each Paralympic Games. In 2010, Canada ranked 7th on the Olympic Ranking Index, as it had in 2008 and 2009. This compares with the ranking of 11th in the 2002 Olympic Ranking Index. There is no result available for the Paralympic Ranking as there were no Paralympic Games in 2010-11.

The Own the Podium initiative, aimed at achieving Olympic and Paralympic excellence, supports Canada's national sport organizations (NSOs) and Canadian sport centres (CSCs) and has helped Canada maintain its top-8 ranking internationally.

PROGRAM ACTIVITY 7: SPORT



Program Activity Description

This program activity promotes development and excellence in sport among Canadians and Canadian communities. This is accomplished through program initiatives that provide direct support to Canadian high-performance athletes; enhance Canada's ability to host the Canada Games and international sport events in Canada; support the development of excellence in the Canadian sport system; and contribute to increasing participation in sport by Canadians of all ages and abilities. This program activity provides funding, expertise and other services to Canadian athletes, sport organizations and event organizers. The core concept of this program activity is to enhance and promote Canadian participation and excellence in sport, through sport stakeholders and sport events.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
179.8	213.5	211.1

Human Resources (FTEs)

Planned	Actual	Difference
159.8	145.8	13.9

Performance Measurement Framework

Expected Results	Performance Indicators	Targets	Performance Status
Canada has an effective sport system.	Number of athletes who are at international level performance standards.	Will be available in the 2011-12 Departmental Performance Report as they are currently under development.	The Performance Summary and Analysis of Program Activity 7 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.
	Number of Canadians participating in sport through sport organizations' special projects and Provincial/Territorial bilateral agreements.	Will be available in the 2011-12 Departmental Performance Report as they are currently under development.	The Performance Summary and Analysis of Program Activity 7 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

	Percentage of National Sport Organizations, Multisport Service Organizations, and Canadian Sport Centres that have achieved or exceeded the threshold for compliance with established accountability standards, and with compliance audits.	Will be available in the 2011-12 Departmental Performance Report as they are currently under development.	The Performance Summary and Analysis of Program Activity 7 (see below) describes key results achieved in 2010-11 in more detail for this performance indicator.

Performance Summary and Analysis of Program Activity

Sport is important to Canadians. It has the ability to engage citizens, build strong communities and, improve the health of Canadians of all ages. Sport contributes to social cohesion, helps to overcome social barriers; and contributes to national pride. Sport enriches Canada's cultural life by promoting Canadian values domestically and internationally, and contributes to economic development and prosperity.

Evidence demonstrates that participation in sport strengthens our society. Participation in sport is the most significant method by which new arrivals to Canada begin to participate in Canadian society. It therefore builds social inclusion[55]. Participation in sport builds skills, transferable to other areas of work and life[56]. Sport is also an important element in the combination of physical activity, sensible diet, and avoidance of harmful behaviours, that leads to good health[57].

Canadian athletes carried forward their performance momentum from the 2010 Winter Games into the 2010-11 season. At the World Cup competitions, Canadian winter athletes won 128 medals, second only to Germany with 201 medals, and just ahead of the United States with 127 medals. At the 2011 World Championships, athletes with a disability won 14 medals (6 gold – 3 silver – 5 bronze) while their able-bodied counterparts won 31 medals (13 gold – 9 silver – 9 bronze). Furthermore, Canada remained in 18th place on the World Ranking Index for Olympic summer sports and in 2nd place in Olympic winter sports. Canada maintained its overall 7th place ranking on the World Ranking index.

The achievements of Canada's athletes at World Championships, Olympic and Paralympic Games provide the opportunity for Canadians to demonstrate national pride. In a Harris-Decima poll taken at the end of the 2010 Olympic Winter Games, 99% of Canadians polled indicated that they were "very satisfied" or "satisfied" with the performance of Canada's athletes. The lead pollster opined "I can't remember a time when as many Canadians felt so good about the same thing at the same time".

Additionally, economic data indicates that sport has a significant impact on the Canadian economy. The report from the Conference Board of Canada entitled, "Strengthening Canada: The Socio-Economic Benefits of Sport Participation in Canada (2005)"[58], found that in 2004, total household spending on sport in Canada was almost $16 billion, representing about 2.2% of total household spending in Canada. Sport related economic activity provides almost 2% of jobs in Canada. The same report also concluded that sport

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[55] Statistics Canada. (2003). *Ethnic Diversity Survey: a portrait of Multicultural Society*. Ottawa, Canada p. 14.
[56] *Strengthening Canada: The Socio-economic Benefits of Sport Participation in Canada: 2005 Report*. Ottawa, Canada p.36.
[57] Op. Cit. *Strengthening Canada*: p. 9.
[58] Op. Cit. *Strengthening Canada*: p. iii, iv.

significantly strengthens Canada's economy and society and, therefore, government has good reason to promote sport. The social and economic benefits of sport demonstrate that sport is a valuable element in Canadian culture and contributes to Canadian society.

Over the last fiscal year, the Department of Canadian Heritage, through the Athlete Assistance Program, contributed to the pursuit of excellence through its direct support to 1,871 athletes either already among the top sixteen in the world in their sport or having the potential to reach the top sixteen. The Program also enables athletes to combine their sport and academic or working careers while training intensively in pursuit of world-class performances. Of these athletes, 421 broke the top 16 within their sport, internationally.

The Department also completed the renewal of its Sport Excellence Strategy in March 2011, which builds on the successes of the original strategy launched in 2005[59]. The goal of the renewed Strategy is for Canadian athletes to consistently achieve podium-level performances in sports at the Olympic and Paralympic Games and Senior World Championships. Support for this goal will be pursued in the areas of high-performance system development, collaborative leadership, high-performance facility access, and knowledge mobilization. Initiatives such as the successful Own the Podium have been continued.

The Department continued its work to increase opportunities for sport participation among all Canadians, including targeted under-represented groups, through a) the Sport Participation Development Initiative for persons with and without a disability; and b) bilateral agreements on sport participation, including a component directly targeting Aboriginal communities, with the provinces and territories. In 2010-11, opportunities were created for 1,829,200 Canadians through funded sport participation initiatives[60].

Furthermore, various activities were supported through the Sport Support Program, such as the National Sport Organizations (NSO) and the Multisport Service Organizations (MSO) Sport Participation Initiatives for persons with and without a disability, as well as federal-provincial/territorial sport participation bilateral agreements. A total of 84 different projects were completed in Canada. Sport Canada consulted and collaborated with 5 federal departments, 13 provincial/territorial governments and 7 NGOs on sport participation initiatives.

Canadian Heritage works with sport organizations to help them achieve the National Standards that will ultimately result in a more effective, technically-sound and ethically-based sport system. The National Standards (such as Organizational Governance, Official Languages, Coaching Development, and Equity and Access), were developed by the Department, and serve as a measure of the organizations' progress against the Government of Canada priorities. In 2010-11, 51% of National sport organizations, 67% of Multisport service organizations, and 86% of Canadian sport centres have achieved or exceeded the threshold for compliance with established standards. This compares to 48% for National sport organizations and 54% for Multisport service organizations in the previous year[61].

There were 55 International Single Sport Events (ISSE) and 2 bids selected for funding in 2010-11. In addition, the 2011 Canada Winter Games and 2010 Défi Sportif were hosted

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[59] The delayed release of the "*2010 and Beyond Panel*" report delayed the start of the Sport Excellence Strategy's renewal process. As a result, formal implementation of the renewed Strategy did not occur in 2010-11. However work in the area of high performance continued in the spirit of the original Strategy; specifically, a focus on achieving podium results at the Olympic and Paralympic Games.

[60] Participation number includes 2009-10 data from the Federal-Provincial/Territorial Sport Participation Bilateral Agreements as year-end activity report are due in June 2011. In addition, not all 2010-11 reports are available to Sport Canada to date.

[61] Comparable information is not available for Canadian Sport Centres.

in Canada. Based on reports from the 34 events hosted in the summer and fall of 2010, the Hosting Program has delivered on its performance objectives by providing competition opportunities for 5,577 Canadian athletes, 1,436 Canadian coaches and managers, and 1,359 Canadian officials. The Hosting Program also provided opportunities for 459 participants who chose to self-identify as part of an under-represented group, namely Aboriginal peoples and persons with a disability. There were no International Multisport Games for Aboriginal Peoples and Persons with a Disability (IMGAPPD) hosted during this fiscal year.

The hosting support for over 50 different international sport events in Canada in the 2010-11 fiscal year has contributed to the strategic outcome "Canadians participate and excel in sport" by providing competition opportunities for Canadian athletes, coaches and officials to gain international competition experience on Canadian soil. Due to lower costs to compete at home and increased competition spots made available to the host country, hosting these events, such as the World Junior Athletics championships in Moncton, New Brunswick and the 2010 World Wheelchair Rugby Championships in Richmond, British Columbia, has allowed more athletes, coaches and officials, including those from under-represented groups, to further develop and excel in sport.

Canadian Heritage reinforced its commitment to maintain a fair and ethical sport environment by promoting Canadian sport values at home and abroad through the following key activities. The Department's role in ethics in sport has been clarified through the development of the first-ever Sport Canada Strategy for Ethical Sport. In addition, initiatives have been undertaken to encourage increased commitment and capacity amongst key partners to deliver ethical sport for Canadians. The renewal and approval of the Canadian Policy Against Doping in Sport in February, 2011, reinforced the commitment of federal, provincial and territorial governments to safeguard the integrity and values of sport and to protect the health of individuals from the unethical practice of doping, and to work together to develop national anti-doping policies, strategies and programs. Also, for a two-year period, as of January 1, 2011, Canada will be chairing the International Anti-Doping Arrangement which allows leading anti-doping nations to discuss common issues and share best practices. Finally, Canada represents the governments of the Americas region on the Executive Board of the World Anti-Doping Agency and will continue to be one of four representatives from the region on the World Anti-Doping Agency Foundation Board. Canadian Heritage leadership on both the domestic and international fronts demonstrates our firm anti-doping commitment and contributes to maintaining a fair and ethical sport environment. Through ensuring a solid domestic anti-doping policy and program supporting international efforts to encourage anti-doping policy and program development, and encouraging the delivery and practice of ethical sport, the Government of Canada is dedicated to ensuring a safe and ethical sport environment and quality sport experience for all Canadians.

Lessons Learned

The success of the original Sport Excellence Strategy provided some important lessons. The original strategy focused on achieving podium performances at the 2010 Olympic and Paralympic Games, with a focus on sustainable funding, collaborative leadership and systemic long-term athlete development. Three important lessons were learned from the implementation of the first Strategy:

- Outstanding performances at the Olympic and Paralympic Games have a galvanizing effect on the Canadian sport community and Canadians in general;
- There is a need to further strengthen the high-performance sport system, and
- There is a need for non-government funds to complement the Government of Canada's support for high-performance sport.

Analysis of the Status of the Athlete Study and consultations with National Sport Organizations has led to the realization that some high-performance athletes drop out of the training and competition system earlier than expected due to career and family related financial responsibilities, thereby losing their opportunity to contribute to Canada's performance. The Athlete Assistance Program is studying how it can mitigate these challenges and reduce the likelihood that these high-performance athletes will drop out of the system prematurely.

With regard to the Hosting Program, events were selected based on the extent to which each event met the objectives and priorities of the Program, Sport Funding and Accountability Framework, and other sport excellence and sport development priorities. The Hosting Division is taking steps to establish the International Sport Events Coordinating Group to strategically evaluate events and implement the Federal Policy for Hosting International Sport Events.

Up to and including the 2010-11 fiscal year, data identifying athletes as being from an under-represented group had only been reported for participants in International Multisport Games for Aboriginal People with Disability and the Canada Games. However, the Hosting Program also funds International Single Sport Events and International Major Multisport Games with participants from these under-represented groups. Despite the fact that self-disclosure is strictly voluntary, the Hosting Program has revised the final report template to collect this self-disclosed data, effective for the 2011-12 fiscal year, in order to better demonstrate how this target is met.

INTERNAL SERVICES

The following program activity supports all strategic outcomes within the organization.

PROGRAM ACTIVITY 8: INTERNAL SERVICES

Program Activity Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization, and not to those provided specifically to a program.

Financial Resources ($ millions)

Planned Spending	Total Authorities	Actual Spending
87.6	121.0	115.9

Human Resources (FTEs)

Planned	Actual	Difference
1,025.4	935.8	89.6

Performance Summary and Analysis

In 2010-11, there were four cross-cutting priorities in the Department of Canadian Heritage: Public Service Renewal; Grants and Contributions Reform; Integration of Financial and Non-Financial Information; and Management of Security and Business Continuity. The first two supported government-wide priorities while the latter two stemmed from the Canadian Heritage Management Accountability Framework assessment. Taken together, these four priorities ensured that best practices and excellence in management were promoted across the organization.

Additionally, Canadian Heritage launched a department-wide initiative to modernize its operations and seek innovative solutions to financial challenges faced by the Department while maintaining an acceptable level of accountability and diligence. The Transformation Initiative consists of four concrete components: a resources allocation strategy (RAS); a departmental structure review; an internal services review; and, modernization of how grants and contributions are delivered. In the longer term, this initiative will help turn potential risks into opportunities leading to an alignment of resources, processes and organizational design that delivers on priorities and expected results in a more effective, empowering and efficient manner.

Progress made in 2010-11 towards the completion of the various Transformation Initiative components is further detailed below and linked to Canadian Heritage priorities.

Public Service Renewal

In 2010-11, although in a period of transformation, the Department continued to focus on the four renewal priorities: Integrated Planning, Recruitment, Employee Development and Renewing the Workplace.

In 2010-11, Canadian Heritage launched a number of initiatives to mitigate the impact of the current workforce adjustment in the following areas:

- **Supporting Managers**: Information sessions, such as Leading through Change, Workforce Adjustment and Sub-delegation in Staffing, were developed to inform and assist managers in dealing with transition and respond to employee questions and uncertainty. A new key leadership and technical competency profile as well as a learning map were tested which are aligned with the Canada School of Public Service profile and tools.

- **Knowledge Management**: Canadian Heritage completed the learning and discovery phase of its Information Management Strategy. Among its numerous components, the Strategy included the implementation of an electronic documents and records management system. In an effort to maintain continuity and integrate resourcing, succession and talent management, the Department adopted a knowledge transfer strategy as well as a Talent Management strategy for non-EX positions.

- **Innovation**: The Department undertook a review of its internal services and started implementing changes to modernize its grants and contributions delivery, two of the main streams of the Transformation Initiative. A review of social media was also carried out to identify opportunities and to evaluate how we could better meet the needs of Canadians by using interactive multi-media technology.

- **Public Service Values**: Canadian Heritage developed its own values and ethics code and a framework including a statement of values and guiding principles.

Grants and Contributions Reform

There are currently over 27 grants and contributions programs with 55 different components administered by the Department of Canadian Heritage. This category of expenditures accounts for approximately 80% of the business carried out by Canadian Heritage. Each year, nearly 9,500 applications for contributions and grants are approved for funding. Transfer payments (using grants and contributions) are the Department's primary means of achieving its policy objectives.

In 2010-11, central to Canadian Heritage current work was the development of a new risk-based approach to process the vast numbers of files received from regular clients seeking annual funding for an activity they have successfully completed previously. Three programs (Canada Arts Presentation Fund, the Official Languages Community Life Component and Celebrate Canada) have been selected as pilot projects for the 2011-12 fiscal year.

In support of the Government Action Plan responding to the recommendations of Blue Ribbon Panel on Grants and Contributions, a new approach to file processing which will be both simplified and standardized but will require minimal changes for our applicants has been identified. The file treatment framework being developed will align end to end file processing with the level of risk each file presents. In essence, the Department will be refining its approach to risk management by processing Grants and Contributions applications. This effort will allow the Department to focus on risks through targeted mitigation measures. Beyond efficiency savings, process simplification for low-risk applications will also lead to improved service, while ensuring that Canadian Heritage's careful stewardship of public resources, due diligence and accountability are respected.

Of note, during the year, the Department assisted and shared best practices with at least eight other departments involved in grants and contributions reform.

Integration of Financial and Non-Financial Information

In support of the Management, Resources and Results Structures Policy, the Department continued its efforts to align and integrate the human, as well as financial, asset and information resources for decision-making, planning and reporting. To that end, the Department established procedures to ensure that corporate information is collected at the right time and from the right sources for decision-making.

The Department has streamlined its collection of survey data through the development of a data acquisition strategy which will save financial resources and improve efficiency. Additionally, progress has been made in managing the internal controls over financial reporting pursuant to the Policy on Internal Control and the first departmental Annex published under this policy. As part of the Transformation Initiative, Canadian Heritage has also implemented monthly budget forecast meetings to adjust plans and priorities where warranted.

Management of Security and Business Continuity

Subsequent to the Treasury Board Secretariat's Management Accountability Framework evaluation results, the Department undertook several activities to improve its performance in the area of safety and security, including business continuity planning.

As a result, in 2010-11, the Department continued to develop initiatives and programs aligned with the new Policy on Government Security (PGS) and its two directives, and improve its business continuity plans. For instance, a new departmental security policy was created to reflect the terms of the new PGS in Canadian Heritage governance and operational contexts. The Canadian Heritage Security Policy now provides the foundation for a range of new departmental security activities, such as establishing a comprehensive, integrated departmental security plan; setting benchmarks for integrated risk analysis and security planning; and establishing integrated work plans to meet implementation requirements.

Additionally, Canadian Heritage initiated event-specific risk monitoring processes in relation to the planning and delivery of major events such as: Expo Shanghai 2010 and the Royal Tour of Her Majesty The Queen and His Royal Highness The Duke of Edinburgh. These processes usually involve regular contact between the project authority, the Royal Canadian Mounted Police and the Canadian Security Intelligence Service, senior management, and staff dedicated to issues management. Issues management and risk monitoring may also involve other authorities such as the Privy Council Office and other levels of government.

Lessons Learned

2010-11 was a year of transition and change for the Department of Canadian Heritage. Over the years, changes in government policies and processes have resulted in greater obligations in terms of accountability and reporting. Operating procedures have built up over time in response to these demands without fully taking into account how these procedures interact with each other. As a result, some business procedures were re-examined in terms of the time needed for their completion both by employees and clients, as well as in terms of associated costs. This, combined with the Department's current financial challenges and a changing technological environment, provided the Department with the opportunity to look at the way it does business and the tools it needs to be more efficient and cost effective.

In 2010-11, the Department undertook a Transformation Initiative. In parallel with the review of internal services, a vital component of this initiative was to modernize our core business with the goal of strengthening excellence and innovation focus for the delivery of grants and contributions. As part of the Department's overall Transformation Initiative, horizontal management strategies such as these have progressively leveraged past investments in management tools and processes to support integrated planning and horizontal decision-making. This has had a positive impact on the development of a "culture of horizontality" which is required to reap the benefits of Canadian Heritage integrated management environment. The goal was to find efficiencies, reduce duplication, optimize the delivery of these services and engage staff in achieving change. Finally, in order to respond to financial challenges, all sectors of the Department had to implement a permanent 15% reduction in operating budgets.

Canadian Heritage's Evaluation Services continued to provide the Deputy Minister with timely, neutral, objective and rigorous information on the relevance and performance (effectiveness, efficiency and economy) of the Department's programs and initiatives. In terms of coverage, Canadian Heritage has already made extensive progress towards achieving the required 100% coverage of grants and contributions programs by 2013.

Overall, one of the main lessons learned is the importance of being able, as an organization, to anticipate change. Within the Department, this is currently achieved by foreseeing and adapting to the evolving needs of citizens and stakeholders. The Department will also continue to monitor the external environment on an ongoing basis, especially as it relates to the impact of the digital revolution, and will implement its programs and work toward adjusting key policies and legislative frameworks so they remain evergreen. This proactive approach is essential to be efficient and effective.

Additionally, the Department continues its research and work on the development and application of tools to improve its overall approach and integration of Gender Based analysis when developing policies and programs that directly affect Canadian women and men.

CANADA'S ECONOMIC ACTION PLAN

As part of Budget 2009, the Government of Canada introduced Canada's Economic Action Plan (EAP) to help protect and create jobs during the global economic downturn.

The Economic Action Plan recognizes that arts and cultural industries are important economic drivers, employers, and providers of opportunities for Canadians. It also recognizes the importance of supporting the development of athletes, particularly those with an intellectual disability and the programs and services provided by Special Olympics Canada.

Through the Economic Action Plan, the Department of Canadian Heritage received additional funding for the 2009-10 and 2010-11 fiscal years for the following programs:

- Canada Cultural Spaces Fund (existing sub-program activity under Program Activity 1 - Arts);
- Canada Arts Training Fund (existing sub-program activity under Program Activity 1 – Arts);
- Canada Periodical Fund (Magazines / Community Newspapers) (existing sub-program activity under Program Activity 2 – Cultural Industries);
- Canada Media Fund (existing sub-program activity under Program Activity 2 – Cultural Industries; and
- Special Olympics Canada (under Sub-program Activity 7.2 – Sport Support Program, Program Activity 7 – Sport).

In 2010-11, funding provided Canadians with continued access to Canadian culture through the production of high-quality Canadian television programs, and 928 Canadian magazine and non-daily newspaper titles. Finally, investment provided opportunities for athletes with an intellectual disability to achieve their full athletic and social potential.

A number of projects were funded by Canadian Heritage with the additional funds allocated by the Economic Action Plan. For example:

- The Canada Cultural Spaces Fund contributed $1,578,386 to support the construction of a new Discovery Centre both for Upper Canada Village, a living pioneer village, and the adjoining Crysler's Farm, an Eastern Ontario National Historic Site. The new facility will provide space for increasing program activities, festivals and events. The project will give Canadians increased access to arts and heritage spaces for creation, presentation, conservation and exhibition activities.
- Financial assistance was also provided to the Musée de la Mer located in the Magdalen Islands in the Gulf of St. Lawrence. The Canada Cultural Spaces Fund contributed $273,000 to support major renovations and an expansion of the Museum. This project involves bringing the existing building up to current safety standards, optimizing the entrance conditions, and adding additional exhibit spaces. This project will increase and improve access for Canadians to museum collections and arts and heritage displays.
- The $2 million increase awarded to the National Ballet School (NBS) through Canada's Economic Action Plan has helped the NBS to preserve over 20 artistic

positions, support the studies of 140 talented students without the financial means to continue to study at the NBS, and helped build the NBS' ability to attract and retain the world's most talented dance instructors.

This funding was critical in supporting the NBS in its efforts to produce new Canadian works and to ensure its student performances were staged to the highest possible standards. This additional support complements a previous federal investment in the NBS' world-class training facility and ensures that the school is able to maintain its high-calibre training program during a very difficult financial period for the organization.

The following table highlights EAP initiatives, including total EAP funds planned for the 2010-11 fiscal year and actual spending.

2010-11 Financial Resources ($ millions)			
EAP Initiatives	**EAP Funds Planned 2010-11**	**Total Authorities 2010-11**	**Actual Spending 2010-11**
Program Activity 1 – Arts			
Canada Cultural Spaces Fund	30.0*	30.0*	29.5*
Canada Arts Training Fund	13.0**	13.0**	12.8**
Sub-total – Arts	**43.0**	**43.0**	**42.3**
Program Activity 2 – Cultural Industries			
Canada Periodical Fund	15.0	15.0	15.0
Canada Media Fund	100.0	100.0	100.0
Sub-total – Cultural Industries	**115.0**	**115.0**	**115.0**
Program Activity 7 – Sport			
Special Olympics Canada	0.5	0.5	0.5
Sub-total – Sport	**0.5**	**0.5**	**0.5**
TOTAL	**158.5**	**158.5**	**157.8**

Note: These amounts include contributions to the Employee Benefits Plan (EBP).
*An amount of $30.0M for Canada Cultural Spaces Fund was planned but $0.5M was not spent due to project delays.
**An amount of $13.0M for Canada Arts Training Fund was planned but $0.2M was not spent due to project delays.

Below is a report on the initiatives managed by the Department of Canadian Heritage that are separate from ongoing program spending.

Program Activity 1: Arts

CEAP Initiative	Performance Indicators	Achieved Results
Canada Cultural Spaces Fund (Formerly known as Cultural Spaces Canada)	Number of new facilities and number of exiting facilities with improved infrastructure. Geographic diversity of new facilities with improved infrastructure.	**Status:** Met All **Results:** Approval of 18 construction/ renovation projects, 22 specialized equipment projects, and 1 feasibility study for a total of 41 projects allocated as follows: o Alberta: $245,881

		○ British Columbia: $1,292,535 ○ Manitoba: $734,510 ○ Newfoundland/Labrador: $400,000 ○ New Brunswick: $1,256,514 ○ Nova Scotia: $6,012 ○ Ontario: $6,721,436 ○ Quebec: $1,754,467 ○ Saskatchewan: $7,000 ○ Yukon: $22,800 ○ Total: $12,441,155 *Note: Canadian Heritage did not receive any applications from Prince Edward Island, Northwest Territories or Nunavut.*
Canada Arts Training Fund (Formerly known as the National Arts Training Contribution Program)	Arts training institutions of the highest calibre that are financially and administratively stable.	**Status:** Met all **Results:** 34 organizations were provided with an additional $12 million in stimulus support, allowing them to strengthen their administrative capacity to provide professional training of the highest calibre.

Program Activity 2: Cultural Industries

CEAP Initiative	Performance Indicators	Achieved Results
Canada Periodical Fund (Effective April 1, 2010, the Canada Periodical Fund replaced the Publications Assistance Program and the Canada Magazine Fund)	Number of magazines and non-daily newspaper titles. Number of copies of Canadian periodicals distributed to recipients in Canada.	**Status:** Data will be available starting in 2011-12. An accelerated application process was put in place to avoid a gap in funding after the end of previous support programs. This process resulted in less information being collected by the Program. Information on total number of copies distributed will be available for future years. **Results:** 928 magazine and non-daily newspaper titles reached Canadian readers in all regions of the country.
Canada Media Fund (Effective April 1, 2010, the Canada Media Fund replaced the Canadian Television Fund and the Canada New Media Fund)	Number of hours of programming created. Total budgets. Audience results.	**Status:** Audience results will be available in October 2011 in the *2010-11 Annual Report* of the Canada Media Fund. **Results:** Estimated hours of programming: 2,400; estimated total budgets: $350M.

Program Activity 7: Sport

CEAP Initiative	Performance Indicators	Achieved Results
Special Olympics Canada	The increased funding was for the organization to expand its existing	**Status:** Met All **Results:** Support for the preparation of the

	programs, in particular, the Special Olympics 2010 National Summer Games, the development and strengthening of Special Olympics programs in provinces and territories, additional programming for new sports and its national team program, whose outcomes are assessed as part of the ongoing contribution monitoring by Sport Canada.	2010 Special Olympics National Summer Games. Development of 3 new sports: boccia, golf and basketball. Support for the development of the Special Olympics Nunavut Chapter. Support for the 2011 Special Olympics World Summer Games – National Team Program.

SECTION III – SUPPLEMENTARY INFORMATION

FINANCIAL HIGHLIGHTS

The financial highlights presented within this Departmental Performance Report are intended to serve as a general overview of Canadian Heritage financial position and operations. The unaudited financial statements are prepared in accordance with accrual accounting principles. The supplementary information presented in the financial tables in this report was prepared on a modified cash basis of accounting to be consistent with appropriations-based reporting.

Condensed Statement of Financial Position

As of March 31, 2011 ($ thousands)

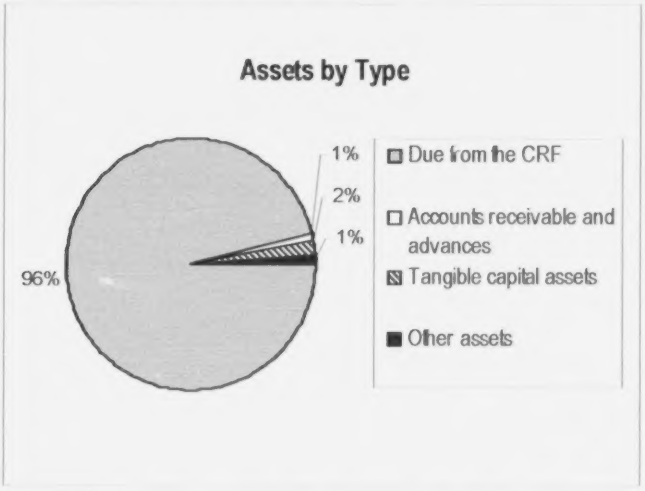
	% Change	2010-11	2009-10
Total Assets	-8%	531,043	580,098
Total Liabilities	-9%	552,844	605,109
Total Equity of Canada	-13%	(21,801)	(25,011)
TOTAL LIABILITIES AND EQUITY OF CANADA	-8%	531,043	580,098

Condensed Statement of Operations

For the year ending March 31, 2011 ($ thousands)

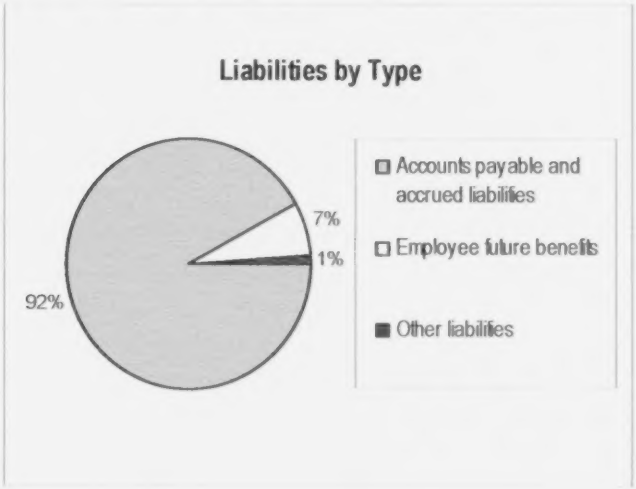
	% Change	2010-11	2009-10
Total Expenses	-10%	1,332,152	1,482,036
Total Revenues	6%	73,041	69,066
NET COST OF OPERATIONS	-11%	1,259,111	1,412,970

FINANCIAL HIGHLIGHTS CHARTS/GRAPHS



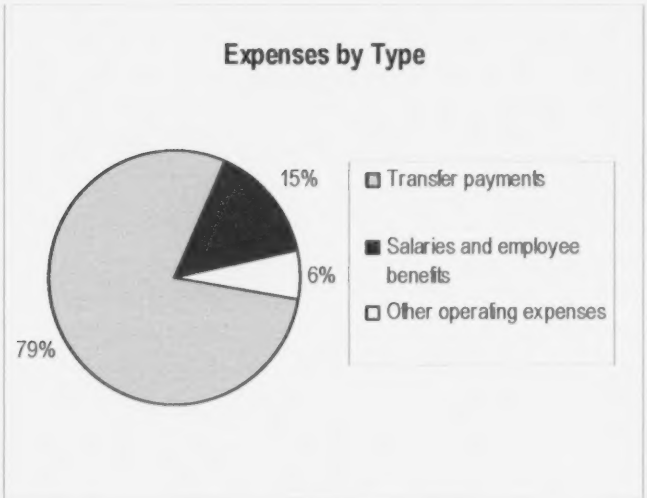
Total assets were $531 million at the end of 2010-11, a decrease of $49 million (8%) over the previous year's total assets of $580 million.

The amount due from the Consolidated Revenue Fund (CRF) represented the largest portion of assets at $508 million or 96% of total assets.



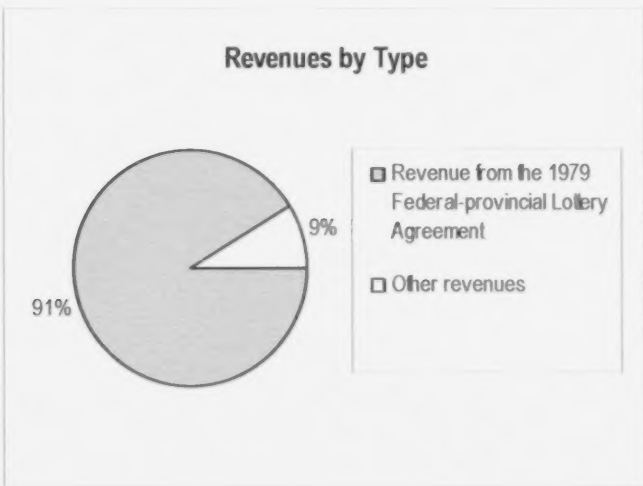
Total liabilities were $553 million at the end of 2010-11, a decrease of $52 million (9%) over the previous years' total liabilities of $605 million.

Accounts payable and accrued liabilities represented the largest portion of liabilities at $508 million or 92% of total liabilities.



The Department's total expenses were $1,332 million in 2010-11, a decrease of $150 million (10%) versus the previous year's total expenses of $1,482 million.

Major expense areas included transfer payments ($1,049 million or 79%) and salaries and employee benefits ($202 million or 15%).



The Department's total revenues were $73 million in 2010-11, an increase of $4 million (6%) versus the previous year's total revenues of $69 million.

The revenue from the 1979 Federal-provincial Lottery Agreement represented the largest portion of revenues at $66 million or 91% of the total revenues.

FINANCIAL STATEMENTS

Full unaudited Financial Statements of the Department of Canadian Heritage for 2010-11, including the Statement of Management Responsibility Including Internal Control over Financial Reporting, are available at: http://www.pch.gc.ca/pc-ch/publctn/dpr-10-11-eng.cfm.

CANADIAN HERITAGE PORTFOLIO

The Portfolio Affairs Branch's responsibilities remained unchanged regarding existing portfolio agencies. However, in 2010-11, the addition of the Canadian Museum of Immigration at Pier 21 has increased the number of organizations in the Canadian Heritage Portfolio from 19 to 20.

The Portfolio Affairs Office assists the Minister and the Deputy Minister in carrying out their portfolio responsibilities and supporting the Government's agenda. Its objective is to integrate horizontal policy issues, planning, reporting, allocation of financial resources, central agencies coordination, appointments, governance and strategic communications related to the Canadian Heritage Portfolio organizations.

LIST OF SUPPLEMENTARY INFORMATION TABLES

All electronic supplementary information tables found in the 2010-11 Departmental Performance Report can be accessed on the Treasury Board of Canada Secretariat's website at: http://www.tbs-sct.gc.ca/dpr-rmr/2010-2011/index-eng.asp.

1) Details on Transfer Payment Programs
2) Up-Front Multi-Year Funding
3) Horizontal Initiatives
4) Green Procurement
5) Internal Audits and Evaluations
6) Sources of Respendable and Non-Respendable Revenue
7) User Fees Reporting
8) Response to Parliamentary Committees and External Audits

SECTION IV – OTHER ITEMS OF INTEREST

ORGANIZATIONAL CONTACT INFORMATION

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Email:	info@pch.gc.ca
Telephone:	819-997-0055
Toll-free*:	1-866-811-0055
TTY** (Toll-free):	1-888-997-3123

*The toll-free lines have agents available to answer your questions, Monday to Friday, 8:30 a.m. to 5:00 p.m. (Eastern Time).

**The TTY is a telecommunication device for people who are deaf, hard of hearing, or speech-impaired.

OTHER ITEMS OF INTEREST

- Legislation related to Canadian Heritage
- Portfolio Crown corporations and other organizations
- Regional offices